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The Adjuster

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J. A. CAREY, - - - - - Editor

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The Question of the Hour.

It is becoming clear that the graded commission, the separation and the term brick mercantile building questions are gradually merging themselves into one, so far as Pacific Coast practice is concerned; and also that, whatever may be individual opinion regarding any one of them separately, there will probably have to be discovered in the general interest of content, a compromise platform on which all will be willing and able to stand. This platform is what we now urge on the fraternity.

The ADJUSTER has always preferred to express its opinions on current topics, rather than to play only the part of an onlooker. Hence we say in connection with the matter:

The main objection to the graded commission scheme is the increase in the Coast expense ratio, and the additional fact that it is not likely to check the growing average loss ratio by infusing a larger proportion of the most profitable class of business. The expense objection has its own importance for every one of our department or branch offices; but it has an especial interest for those general agency offices that are conducted on a commission basis. The board constitution cannot undertake to deal differently with one class of company members than with another. Nevertheless, all legislation, in order to attain its true purpose, must recognize that the good faith of the commission offices should not be subjected to any practical strain which does not, in the nature of things, exist in the case of those offices which are not on a commission basis. The ability of the former to comply with the rules made by the latter (the large voting majority) is an important factor in the peaceful well-being of the whole. If the former cannot comfortably support this burden or that, it must be lightened for the general good.

The main objection to the separation scheme is that it is proposed to adopt it in order to cure an evil which is, we may admit, increasing, but which has not reached a point where it is particularly burdensome, viz., the influence of non-board companies in local agencies. It may, if introduced, revolutionize the present conditions, but not by a long way to the unalloyed advantage of the board companies. The annoyances following its introduction will be both various and expensive.

On the other hand, the non-board companies will also suffer and the plain fact is that it rests with them to handle their affairs so that the board companies, their partners in agencies, are not deliberately plundered by means of the payment of excess commissions. Let them continue to travel in partnership, subject to the Golden Rule. If they do so, the separation rule has not even an excuse, on this Coast, for

existence, whether the graded commissions are introduced or not.

The term mercantile building question is the least important of the three. It has its positive disadvantages, and its possible advantages. It is wholly immaterial at most points, and material only in a few. Its adoption may slightly increase the expense ratio and also the loss ratio. But it is vital to nobody.

In the compromise platform which we urge, the first plank is a provision against the separate application of any one of the three theories to any place or to any class of risk which is not first approved for the purpose by a decisive majority vote of all companies. The second plank is that the question be not eligible for a vote at all, unless on a preliminary showing that it is to be a curative measure and not an anticipatory, attacking measure. The Golden Rule must govern.

⁂ ⁂ ⁂

Industrial Insurance.

Industrial insurance fills a beneficent place in the economy of the laborer's life that it is not possible for other and older forms of underwriting to cover, and it may be declared as a tribute to the high average of intelligence among the masses of the United States who eat their bread in the sweat of their faces, that there is no other land where this class of insurance obtains so widely.

This general recognition of the direct benefits of industrial insurance forms a remarkable illustration of the growth of sound economic principles among the laboring element. The scale of wages in this country allows toilers to make provisions against accident, sickness and death that would not be possible to the parallel classes in the countries of the old world.

The motive of all honest life insurance is sound. It rests upon the highest moral grounds, and it has a direct physical application. It inculcates frugality, which in itself is the handmaid of thrift, and the two go together and produce the best possible results.

Industrial insurance is for those who cannot take out policies in the regular life companies. It is for the man who feels that from the bread and meat of the day there should be saved a few crumbs for a time when he cannot work. The few cents that he is able to put into industrial insurance is a trifle, but the gradual accumulation means to him all the difference that lies between nothing and something, between medical attention, food, a place to sleep, in short, a home, and none.

The growth of industrial insurance in the United States has been as rapid as its application is advantageous to the poor. In no other manner possible could the poor be secured against unexpected misfortune. Protection could not come through accumulated savings, for years of savings would in many instances mean but a few dollars.

The industrial companies, however, basing their charges upon certain percentages of loss are able to classify their premiums so that almost anyone who is in good health and employed may protect himself and those dependent upon him against immediate want.

This particular class of insurance affords a gratifying example of the co-operation of capital, capable direction and the public, for mutual, material advantage.

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Mutual Company Elections.

William F. King, a gentleman of New York, one time president of the Merchants' Association, has perfected a plan for control of elections by policyholders which he considers all important.

Mr. King would have printed for circulation annually the list of policyholders entitled to vote and a copy filed with every superintendent of insurance and in the principal agency offices, accessible to every policyholder, to whom the list will be mailed on request.

When this is done notice of the annual election is to be published in the newspapers and after that politics begins.

Think of the scramble of policyholders for office and the wires that will be pulled

for the attainment of the presidency, with its fat salary and patronage; the excitement and gratification attendant upon the election of a new president each year and the satisfaction experienced by the new trustees in turning all the old force out and appointing their friends to positions ranging from vice-presidents down through the clerical force to the elevator boys!

Of course this annual cleaning up and out would be considered a necessity, for to the victors would belong the spoils.

We dislike to even thus briefly touch upon the magnificent future possibilities for some life insurance companies opened up by this New York legislative committee, for the outlook presents probabilities that may prove astounding.

These politicians and financiers, playing at the reformation of principles they fail to comprehend, are handling liquid fire that even now is surging beyond their control and is destined to destroy the material foundation of hundreds of thousands of families dependent upon the stability of the Mutual Life, the New York Life and the Equitable, unless sober and effectual counsel shall come to stop it. This is no alarmist's note, but a plain, sober, everyday fact which those that run may read with profit.

⁂ ⁂ ⁂

Federal Supervision.

Commenting on that portion of President Roosevelt's message to Congress wherein he says that the great insurance companies afford striking examples of corporations whose business has extended so far beyond the jurisdiction of the States which created them as to preclude strict enforcement of supervision and regulation by the parent States, President Wilbur S. Tupper of the Conservative Life says in the Conservative News that it will be the small and young company that will be most benefited by such a change.

One of the arguments given for the support of this opinion is that under present conditions the expense of maintenance of a great many State insurance departments necessarily falls heavier on the small companies than on the large and that the varying statutory insurance provisions in the different States work greater hardship on the young and small company.

While all these ills indubitably exist, it is difficult to arrive at the particular process of reasoning which makes clear just how the item of expense is to be reduced by another system of supervision which, as appearances seem to indicate, will be added to the one already in vogue.

Our contemporary is also of the opinion that a Federal system of supervision will do away with acquiring of new business on the part of the giant companies "beyond bounds which are reasonable," will decrease the pressure under which business is written and work other "reforms" militating in favor of the smaller companies.

It would be vastly interesting to have President Tupper explain just how, in his opinion, all this is to be brought about and his reasons for believing so.

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The Present Life Insurance Outlook.

During the past several months the life insurance companies have been charged with the grossest extravagance connected with their efforts to secure new business and to the consideration of this grave charge the people have been applying their best intellectual powers, while in the endeavor to arrive at a proper conception of the attendant circumstances they have overstrained their imaginative faculties to the eminent peril of their mental health.

It has been unutterably awful to contemplate through an overworked imagination the disasters that might have overtaken insurance if the present shakeup had not been instituted by New York politicians and financiers and the extensive "reforms" inaugurated which are being so loudly advertised by those selected by the former to put them in operation.

These reforms may be expected to effect an ultimate saving to each policyholder of

as much as fifty cents per annum, which is a circumstance in itself unspeakably reassuring.

There is to be no money paid out to educate legislative committees, the daily papers are to do this work for the policyholders without money and without cost. It is a way they have. Other things are to be done to and for the policyholder that only time will reveal. Men trained for years to the duties of a business that has, in their time, developed into a science, have been pulled from their high places and the control of the three giants is now with "honest men near to Wall street," where, according to the opinion of another president of a company controlled by honest men near to Wall street, it properly belongs.

The near future is to tell the wisdom or folly of mutuality as applied to the operation and control of life insurance companies or failing this, we will learn how his subjects are rewarded when the devil and his lieutenants turn saints.

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Utah.

In the course of an article which appeared in our October issue, we ventured the opinion that the only way to bring about a change in the unsatisfactory and singular conditions prevailing in Utah, is to suspend rules and rates. A cruel remedy for a serious combination of ailments.

The Denver Report met this statement by advancing the view that it must surely be better to partially cure than to kill outright. Now, we are in receipt of a letter, very courteous and very much appreciated, from Eugene M. Cannon of Salt Lake, who claims that the "undesirable" conditions in Utah are brought about wholly by the liberty given the agents of the non-board companies, "and to no other cause can we ascribe the blame." They are due to nothing, writes Mr. Cannon, "save the free hand and non-restraint given the non-boarders." He also adds that the large business of the Home of Utah is the natural result of its local opportunities as the State company. We are inclined to think that Mr. Cannon is viewing the matter from the inside, outward, while we are viewing it from the outside, inward. We believe that our perspective is sounder, and the general effect we receive broader. If the "social and religious" factor has been of little influence, we must of course look only to the non-board activity for the key to the difficulty. If then we have to count only with this, why is it that the same regulations which have improved, or at all events kept in check, the situation elsewhere (both east and west of the State), have been so ineffective in Utah?

As a matter of fact, there is evidence that board or non-boardism, as such, does not govern the situation. It is the "social and religious" feature which adapts itself equally to both, though naturally tending for financial reasons toward the non-board side. Is it not true that the largest individual non-board agency in Salt Lake, fed by clients all over the State, is Mormon? Are not practically all the local agencies in the smaller towns non-board and Mormon?

On the other hand, does not the Home of Utah derive the bulk of its business from Mormon sources and influences? And does not this happen in spite of the fact that the Home of Utah is technically a board company, and that it is in fact very little more than a State agency for two powerful backers who are themselves board companies in good standing, hailing from other States? Does not this show that the primary binding "social and religious" tie is strong enough to ignore, when it chooses, the board or non-board color of the policy?

This is in brief what we mean when we say that the conditions in Utah would not respond to any practicable revision of the commission scale. An increase would not produce for the board companies any larger proportion than they now have, of the State premiums; and Salt Lake City agents will be logical if they rest their claim for higher compensation simply on the broad ground that board companies

should surely be able to pay as much as the non-board companies. But let them not claim that they would then be able to capture non-board business which they cannot capture now.

In these remarks we must not be understood to be casting any reflection on the State or its citizens. They are exercising their natural freedom of choice. But from a board point of view, we cannot see that our contention is incorrect, viz., that, granted the insufficiency of the present offensive and defensive board rules against non-board competition, the only course open toward an eventual recovery of lost ground is the complete suspension of rules and rates. Then at least the board agents would in some respects be on a level with their non-board competitors; and in other respects, conditions would gradually readjust themselves to a less discriminatory "social and religious" standard.

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A Bull In a China Shop.

Here is our old friend J. J. McDonald again. Finding himself in the Mountain Field with the Connecticut and several local agents on his hands, denied the privileges of the Western Union and without a single rate book to lean up against, he is in an awful pickle. With his anxiety to abide by tariff regulations and his repugnance to anything savoring of a scrap pulling him back, on one side, and his company asking for business on the other, to describe his position as between the devil and the deep sea is putting it mildly indeed.

Even our contemporary, the Insurance Report, mentor to all things insurancewise in the Mountain Field and occasional teacher, guide and friend to Coast underwriting interests, is seriously perturbed over the situation and with characteristic lack of sympathy and paucity of advice, he jumps on the manager's devoted back and humps himself right merrily to the task of adding to his embarrassment.

If the agents of the Connecticut, says the Report, in the Mountain jurisdiction, cut rates and inject demoralizing practices (and report has it that some of them are doing so), then it is solely because that company's Chicago manager (that's McDonald) has failed to permit them to accept the organization's valuable ratings and inspections, by which they could be properly guided.

A very devil of a fellow, this McDonald, surely! But has he nothing to say for himself? Yes, truly. Here is a communication to the American Agency Bulletin, the local agents' organ (sly old dog to put it there) that seems to place quite another complexion on the matter. This is the way it looks to Manager McDonald:

It seems that there is a rule in what is known as the Mountain Field, in which M. J. Burns is the manager, to the effect that non-Union companies shall subscribe to a guarantee that they won't cut rates; whereas the Union companies, including those of unsavory reputation from the Coast, are not required to sign such a contract. I was advised of this jug-handle proposition by Manager Burns when the Connecticut went out of the Union and I refused to have any of our agents subscribe to same unless the representatives of all companies were required to do likewise. The consequence was Mr. Burns refused to furnish our agents with rate books. Nevertheless, we stand ready to pay for same, and I have instructed our representatives so treated to get along the best way they can, inasmuch as they were placed on a different plane from agents who represented companies we knew did not live up to Union agreements. We are at all times ready and anxious to abide by tariff if furnished same.

Overlooking the unkindly jab at Coast board companies, which we are disposed to regard as a misprint, it must be admitted that this gentleman's generosity in concession and forbearance in exaction challenges astonishment as one of the seven wonders of managerial beneficence, but amidst all this we should not lose sight of the fact that there is one greater than Mr. Burns and holier than Manager McDonald.

The Pacific Conservative Life.

The spectacle of the young giant of the South, the Conservative Life, and the old lady of the North, the Pacific Mutual Life, falling into each other's arms for mutual support, following so close upon the recent visit of Dr. Moore to the East, his subsequent resignation of the presidency of the Pacific Mutual, through reason of his advanced age, and his reported immediate activity in the organization of another life insurance company, of which he is to be president, occasions no little commotion with the general public and among policyholders of both the Conservative and Pacific Mutual.

To accomplish this interesting alliance it became necessary for Henry T. Scott, himself a wealthy and distinguished financier, to resign from the office of president of the Pacific Mutual, to which position he was elected last November after the withdrawal of Dr. Moore, and for S. M. Marks to step down from the office of vice-president, to which he had a few days previous, just following Vice-President Higgins' retirement, been advanced, after having acceptably filled the office of secretary of the company for ten years. Mr. Marks, it transpires, not only steps down, but, with President Moore and Vice-President Higgins, out, all of them having disposed of their stock before retiring.

From a high official but confidential source we are given the following information, which, so far as the financial features are concerned, the forthcoming annual statements may be expected to substantiate:

A merger of the two companies has been effected, the new organization retaining as far as possible something of the identity of each company. It is the largest and most important life insurance merger ever effected in this country.

The consolidated company is expected to show insurance in force of nearly one hundred millions, assets exceeding ten millions and a surplus of eleven hundred thousand. It will be the only life insurance company domiciled on the Coast or having a home office in the Pacific Coast States and one of the largest companies of the United States.

From the same source we learn that the Conservative, organized July, 1900, will show in its annual statement assets of about 2,300,000 and a surplus of $335,000.

This company has been remarkably aggressive from the start and writes more business in its home State than any other company. It is well and favorably known throughout the country.

The Pacific Mutual began business in April, 1868. It has enjoyed a reputation for conservatism and claims a mortality experience the most favorable of any company in the United States of the same age. It operates, separately, accident and health departments.

The name of the amalgamated company will be the Pacific Conservative Life Insurance Company and the officers, already installed, are: President, Wilbur S. Tupper; first vice-president, George I. Cochran; second vice-president, John F. Roche; assistant secretary, Richard J. Mier; directors, Wilbur S. Tupper, Wakefied Baker, W. H. Crocker, George I. Cochran, F. G. Drum, W. H. Davis, D. W. Earl, Gail B. Johnson, H. M. LaRue, P. N. Lilienthal, John B. Miller, Lee A. Phillips, John F. Roche, G. W. Scott and H. T. Scott.

Under the consolidation many economies are possible. There will be but one set of officers instead of two and a saving can be effected in home office expenses and in field operations. Where dual agencies exist in the same city they will be consolidated. These savings should result in larger dividends to policyholders, which really means an ultimate lower net cost of insurance.

The amalgamated company will have two home office centers. The Pacific Mutual has a fine home office building in San Francisco, and the Conservative Life has a new modern office building in Los Angeles. The company's home office activities will be divided between these two points. All pol-

icies will be written at San Francisco and sent out from here, since this is a more central point for distribution. The agency department will be located in San Francisco. Col. Tupper will divide his time between the two places.

In Wilbur S. Tupper the Pacific Conservative Life will have a strong man at its head, no one doubts that, and his indorsement of the present arrangement will go far toward convincing the policyholders of the wisdom of the movement.

By the time our next issue makes its appearance the figures definitely showing the financial condition of the new concern will be available and we shall then be in position, indubtiably, to add our enthusiasm to that now prevailing in the local, home office, camp.

Mr. Cannon on the Utah Situation.

J. A. Carey, Esq., Editor The Adjuster,
No. 303 California St., San Francisco.

My Dear Sir: In the November number of your magazine, under the heading of graded commissions you make the following statement in regard to conditions in Utah. "In Utah, the general conditions are wholly unique. They do not arise from the commission question at all, and cannot be cured through any practicable revision of the commission scale. They arise rather from the prevalance of cut rates interwoven with the social and religious difficulty of which we are all aware." I am alive to the fact that insurance conditions in our State are somewhat demoralized, but cannot see how these conditions are brought about in any degree by the so-called "social and religious difficulty." My days as a local date back some time before the advent of the "rate-cutters" in Utah, to a time when everything was smooth sailing in the insurance business, and looking back over the difficulties that have arisen in our chosen field, can see nothing displayed that has had a tendency to demoralize insurance conditions here save the free hand and non-restraint given the "non-boarders."

True it is that Utah has its local insurance company, of which I am neither an agent or stockholder, which has for its motto, "keep money at home by insuring in the Home Fire of Utah," and naturally gets a big share of the business, but may I ask does not the Firemens Fund and Home Fire and Marine get a big volume of business from your State that would not otherwise come to them if they were foreign corporations?

No, the undesirable conditions in Utah are brought about wholly by the liberty given the agents of the non-board companies and to no other cause can we ascribe the blame.

Yours truly,
EUGENE M. CANNON.

Finance.

It has been made sufficiently and painfully plain that the sole cause of the life insurance cyclone, that has wrought such terrific damage and produced some amazing consequences, may be comprised in the single word "finance." If life underwriters had kept their skirts clear of financiers and adhered closely to that which was expected of them, they would have been better off.

The argument has been more or less speciously advanced that life insurance itself is finance and that financial alliances and affiliations are necessary and to be expected. A great many people remain unconvinced of this. We believe that life insurance should keep itself aloof from any and all entangling alliances, and that the investment of life insurance funds made with a single purpose, uninfluenced by any consideration foreign to life insurance.

In view of the revelations, disgusted life insurance men, who love their high profession, may be pardoned for suggesting a law providing that no banker, broker, railroad man, or lawyer be allowed to act as a director, trustee or officer of any life insurance company.—The Surveyor.

H. T. Lamey's New Company.

The Imperial Fire Insurance Company of Denver, organized by H. T. Lamey, Godfrey Schirmer and F. H. Rhoads, of Denver, will begin writing business on the 15th of the present month with H. T. Lamey, president, and Fred H. Rhoads, secretary, managing its affairs. Business for the present will be confined to Colorado and bordering states, and the new concern will start with $200,000 capital and a surplus of $100,000 all paid up. The names of the three men most intimately connected with its organization and management is sufficient guarantee that conservative business methods will prevail and that it will be successful under such control is a certainty.

BACK TALK.

The assurance of President Tatlock that, while purchases of stocks and bonds for the Washington Life are made through the brokerage firm of A. A. Ryan and Bros., sons of T. A. Ryan, a large owner of Washington Life stock and owner of the Equitable, he was positive that the latter gentleman never attempted to influence the executive committee in investment transactions should please the policyholders immensely. The restraint of their natural tendencies exercised upon themselves by these financier-philanthropists in behalf of the valuable insurance interests they have recently flown to protect is little short of amazing. To be told that leopards have taken to the fad of changing their spots before dining upon a particularly fat and inviting victim will now surprise me not the least. Surely the time has come when the lion and the lamb lie down together, but the tableau is just a little bit marred by a very noticeable and somewhat exaggerated timidity on the part of the more powerful animal that almost makes one feel sorry for him.

* * *

Genial John G. Conrad, who has more sincere friends in California than he will collect in a lifetime abroad, in the course of an entertaining letter, dated from London, relates the following:

How you would have enjoyed a dinner, or rather luncheon, the other day at Simpson's, off Cheapside. There is another Simpson's on the Strand, but not to be compared with this of which you hear nothing. The one on the Strand sings its praises in the papers by means of paid advertisements, rather a Yankee method, I understand, and caters to the higher classes with spike-tail coats and broad starched fronts. Their price, too, is high; but here we have the "Fish ordinary" for two shillings, and after all is served and eaten with a relish, the chairman rises from his high-backed seat and with his long and narrow face just tipped below the chin by long and narrow whiskers, calmly surveys the erstwhile struggling crowd about the board, brings down his gavel and, midst the utmost reverence and attention, gravely proceeds to measure and to weigh the cheese, announcing the results to the accompaniment of whispered murmurings as the news is given out. The place is a public restaurant, frequented by men of the middle class, of breeding and education—though I did see some newspaper fellows in the lot. Is there any other such country and any other people but the English who can do these things? Read your Dickens again after you have visited London and you'll wonder why he missed so many good things.

Mr. and Mrs. Conrad are now on the Nile and it is safe to say that every moment of their long outing is being enjoyed to the full.

* * *

We opine that there are some queer deals on commissions with agents among Union companies in this field that would not stand investigation.—Ins. Report of Denver.

As an opiner this editor may be regarded as a promising success. The gentleman who opined that the moon was constructed of green cheese may be more frequently quoted and extensively advertised, but as a finished, productive and imaginational opiner the Denver man is in every way his equal. The circumstance that the conjectures of this promising youth seldom have anything more substantial to support them than his own ethereal intellect detracts not at all from the general excellence of the output. They are thoughts pure and simple and perfect of their kind.

* * *

Presidents John A. McCall, Richard A. McCurdy and William Alexander all forced to a resignation and the superintendent of insurance of the State of New York sticking to his office with every intention of remaining there until he is pulled off by main force. A spectacle to make the gods weep, were there any gods to weep.

* * *

The ADJUSTER returns thanks for very handsome calendars received from the Prudential Life Insurance Company—the regulation Prudential Girl, more pert and

handsome than ever; the Metropolitan Life—Babyhood, Childhood, Maidenhood and Motherhood, four pages, each an art gem; the Norwich Union, through Manager Lowden—The Boy Who Would a-Fishing Go, embossed; the National Life—three beautifully executed pictures in colors; the Queen Fire—Young Lady, Evelyn by name, red hair and otherwise lovely; Insurance Company of North America—just a calendar, sensible, serviceable, with figures readily distinguishable without a spy glass, and from our printer, Walter N. Brunt, a large decorated pancake at which two charming little children are looking with open-eyed astonishment. From indications we shall be able to ascertain the day of the year throughout 1906 with precision and pleasure. Now if someone will send up a wad of blotters, our condition will indeed be enviable.

* * *

Of the more solid holiday offerings is the hammered copper match safe mounted in silver, from the Firemans Fund, the coin silver compass from the Home Fire and Marine and a nice pocket diary from some one whom I have forgotten, some wretch having already purloined it from my desk. Let it not be said that the editor is forgotten in the gladsome Christmas Tide.

* * *

Resolved. That it would be advisable to institute, in the United States, compulsory workmen's insurance against industrial accidents.

It is comforting to know that this important question has been definitely disposed of at Madison, Wis. The affirmative was argued by Messrs. Karges, James and Baker, while the negative end was grasped by Messrs. Blanchard, Hannan and Schram. After complimenting both sides on the able manner in which the question was presented, the judges, consisting of Hon. Zeno K. Host, Prof. Jno. G. D. Mack and Prof. Halsten J. Tharkelson, said that just now it would not be advisable to institute in these United States compulsory workmen's insurance against industrial accidents and rendered their decision in favor of the negative. And so there is an end of the matter.

* * *

The souvenir number of the New York Insurance Journal, devoted to the endorsement of life insurance in general, and Mr. St. John Kempson in particular, is a fine number, almost as handsome as the able editor, whose portrait forms an accompanying supplement and in commemoration of whose twenty-fifth anniversary as an insurance editor the number is printed. Nothing delights me more than the heralding to fame of a deserving editor, and the New York Insurance Journal performs this agreeable task for Mr. Kempson in a manner befitting both his modesty and his merit.

* * *

Not the least of the trials afflicting some of the life insurance companies now under fire are the well intentioned efforts at defense employed by some of their journalistic friends. Well may they cry out to a merciful providence to save them from such friends. I am not of those who believe an insurance journalist to be necessarily an ass, but I am prone to admit that when an insurance journalist is an ass the ass that he is is an ass of magnitude.

* * *

The Standard Oil has secured control of the Mutual Life Insurance Company. Policyholders will have to fight. I am organizing an international association of policyholders to wrest the management from Wall Street and put it in the hands of practical insurance managers. Will you help us? Wire or write me or W. E. Underwood, acting secretary, in my care.—Thomas H. Bowles.

Mr. Bowles is the former general agent of the Mutual Life who, several years back, made an energetic and determined effort to depose Richard A. McCurdy from the presidency. Mr. Underwood is editor of Assurance, an honest gentleman, sincere in all his undertakings, with but one creed, to do what he believes to be right and to blank with the consequences. The above announcement is being forwarded to policy-

holders of the Mutual by mail and telegraph. Like the man who went out to reform the world, these gentlemen are sure of success if they can only secure the necessary co-operation. Into a comment on this action of Mr. Bowles the Surveyor pertinently and impertinently injects the following:

Interested people will very naturally be inclined to ask why he dropped his protective attitude and efforts on a former occasion and what guarantee they will have that he will not do so again if they commit their interest to his management.

* * *

The following story is taken from the Employers' Liability Commentator:

Peter Smith had fallen from an elevator in Kansas City and was somewhat shaken up and bruised, and when he picked himself up, the only bystander, an utter stranger, seeing the frown on his face, and noticing that he was not hurt, laughed at him, whereupon Peter promptly called him a "lunkheaded old fool," and walked off.

A few months later, the damage suit of Peter Smith against the elevator company was being tried in the Circuit Court, wherein said Peter claimed that he was greatly injured by the fall aforesaid, was picked up unconscious, etc. The aforesaid stranger was a witness for the defendant and testified that plaintiff was not picked up unconscious, but that he "picked himself up and walked off." When asked how he knew that plaintiff was not unconscious, he replied, "He recognized me." He was then asked if plaintiff had ever seen him before and replied in the negative, whereupon he was asked what plaintiff said to him that caused him to think that plaintiff recognized him. His answer quoted plaintiff's language to him, given above, his reply being, "He called me a 'lunkheaded old fool.'" It is needless to say that it took some time to restore solemnity in the courtroom.

* * *

Charles J. Smith (whom we were complimenting a fortnight since), has parted company with the Mutual Life and been honored with the presidency of the New York Press Club. "Amicus" is as merrie as a presiding officer as at his home in Hayville. One of the true stories of this bold (?), bad (?) man is that one day, in an elevated car, he took a poverty-stricken baby from its mother's arms, secreted a ten-dollar bill in its little hand, handed the baby back to its mother, told her that she ought to take it to the country for awhile, and hurried himself from the car before she knew what had happened.—Insurance Post.

To reassure those who may be led to doubt the truth of this touching little incident it is only necessary for me to add that I know the man who caught the ten dollar bill as it fell from the hand of the poverty-stricken infant, invested it in Wall street and became so wealthy that he expects to be called, shortly, to the presidency of a large life insurance company whose present head is strongly suspected of having used the office telephone for private purposes.

* * *

Justice Peckham of the United States Supreme Court, in speaking last night of his reasons for resigning from the board of trustees of the Mutual Life Insurance Company, said he learned "with astonishment and great indignation the facts testified to by Mr. McCurdy before the legislative committee, that the funds of the company had been used to influence legislation, virtually to corrupt Legislatures, and that they had been furnished to political parties as campaign contributions, both of which practices I regard as beyond the pale of propriety."

"I expressed my amazement and indignation," he added, "that President McCurdy's salary has been so enormously increased by a sub-committee without even a report to the finance committee."

"These things had been done," continued Justice Peckham, "without the slightest knowledge of the board of trustees, as a board, and I do not know that any individual member of that board was aware of them."

It is, perhaps, better that this good gentleman should be awakened late than never to the condition of amusement and indignation which prompted his resignation from a board of trustees toward which he exercised a degree of usefulness that could as readily be supplied by a wooden Indian, and much more cheaply, but why should he have felt it his duty to retire just at a time when there existed every reason to believe that the services of strong and honest men were required? After having drawn down pay for perfunctorily performing his

duty as a trustee, did he dread the possibility of having to earn his fee, or was it the possibility of something still less agreeable?

* * *

Reference has been made in several instances to the work of Miles M. Dawson, consulting actuary of New York in connection with the Armstrong Investigating Committee and to the motives underlying the same. It has been stated that he desired to secure a position as actuary of one of the "three giants," also that he desired to succeed Supt. Hendricks of the New York Insurance Department, and incidentally had his eye turned to the possible new department at Washington. We have not discussed with Mr. Dawson his work in connection with the investigation, or the nature of his appointment, but inasmuch as it was a foregone conclusion that the committee would require actuarial advice, a decidedly much worse selection could have been made as far as the companies are concerned. We know nothing whatever as to Mr. Dawson's ambitions. It has undoubtedly meant a sacrifice for him to do the work he has been doing and we would not be surprised if he was looking for compensation somewhat of the nature of the last two desires above referred to. No objection can be made to this if the qualifications are there, and we have no hesitancy in going on record to the effect that few men could be selected better fitted to fill the office of superintendent of insurance than Mr. Dawson. He knows the business, has a strong and forceful character and can do the work of several ordinary men.—Insurance World.

It would be difficult to add strength to the endorsement of Mr. Dawson's equipment, contained in the last three lines of the above item, but to the list of that gentleman's acquirements may be safely added an honesty and dignity of purpose that would ornament any position.

* * *

Resolved, That this association, comprising the active field representatives, including agents and managers of practically every life insurance company, deprecates the practice of any irresponsible or unthinking agent, who, seeking his own profit at the policyholder's expense, advises discontinuance of a policy in any regular life insurance company. To that end this association suggests that the policyholder insist that such proposal be made in writing, which should be submitted to the agent who insured him, or to the company, or to this association for information and advice. A pamphlet containing the letters above referred to will be forwarded upon request.—Life Underwriters Association of New York.

The above rings true enough and is calculated to work a benefit both to the policyholder and the agent. It is not alone the "irresponsible or unthinking agent" who sins in this regard, however. Of this we have ample evidence.

* * *

President Geo. E. Ide's testimony before the Inquisition must have been very disappointing to the sensational press. Not a single scare line could they get out of it. In this way the company undoubtedly lost considerable advertising, but this will be made up in a different line. The agents of the Home have always been a little bit proud of their company and have been acknowledged high steppers, but now a Home agent can be detected as far as one can see him from the difficulty he experiences in making his feet touch the ground. President Ide's testimony was the clean history of a model company and the recitation made us all feel good.

* * *

A manly letter was that of President McCall on his retirement from the presidency of the New York Life Insurance Company. He has made mistakes, but even his most venomous critics are not one half so sorry nor do they blame him one-half so much as he does himself. It is not strange that mistakes should have been made in a position involving so many and varied responsibilities.

* * *

A small private dinner was given in honor of Sarah Bernhardt by James Hazen Hyde, at his residence in East Fortieth street, New York, on Sunday evening, at which there were a few other guests, principally literary, legal and dramatic friends. The dinner was entirely informal and quite appropriate, considering Mr. Hyde's well known attachment to French art and his efforts to promote the study of French literature in this country. But the dinner has caused much distress to a Nebraskan

member of Congress, one McCarthy, who, in a lachrymose speech in the House on Monday, denounced Mr. Hyde for spending policyholders' money in entertaining Madame Bernhardt at a cost, he claims, of from $20,000 to $30,000, "while at the same time, it may be, women and children were dying of stavation in the same precinct where the dinner was given." "Had he spent that sum in the purchase of the necessities of life for sufferers," continued the orator, "probably nothing would have been said; but when he spends it to make himself solid as a good fellow with Sarah Bernhardt, we have a right to complain, for it is our money." Congressman McCarthy is unquestionably a good deal of an ass.—Weekly Underwriter.

From Nebraska, and an ass? How can that be?

* * *

Policyholders not to pay for securing new business.—New York Commercial.

That is one of the coming reforms in the Equitable, according to our daily contemporary. Well, who is to pay for new business? If the expense is not to come out of premiums, is it to come out of pockets?—Mr. Ryan's pockets?—Ins. Press.

If there is to be any new business written it will be at the expense of the policyholders. Nine hundred and ninety-nine men out of one thousand have to be talked into life insurance. This talk is expensive and it is a mighty mean man who, having had his duty preached to him and profited thereby, objects to bearing his portion of the necessary cost of extending like benefits to others.

* * *

To Editor, ADJUSTER: Is the Insurance Press, of New York, a great paper? Constant Subscriber.

To Constant Subscriber: Yes, my son, the Insurance Press, of New York, is a great paper.—Editor, ADJUSTER.

During the recent extended visit of N. C. Crosby, general United States manager of the Royal Exchange Assurance, the affairs of the Pacific Department were thoroughly examined into. Dickson & Thieme will continue to represent the company as Pacific Coast managers.

With Flying Colors.

The officers and policyholders of the Security Mutual Life Insurance Company of Binghamton have every reason to feel gratified at the impression made by President Turner's testimony before the legislative investigation committee, New York. Every word spoken by Mr. Turner proved beyond the possibility of contradiction that the affairs of the Security Mutual have always been conservatively managed and that the officers are entirely honest both in purpose and in act.

The Capitol Life of Colorado.

Denver's young life insurance company is apparently coming to the front with giant strides. President Daly announces that since the 25th day of last July, when the company began to operate, a trifle over $2,500,000 worth of policies have been written, a record unknown in life insurance, not only in Colorado, but in any other State in the Union. The record for December was nearly $700,000.

Cunningham Epigrams.

Money can be lost in more ways than won.

A cashier may own and sail a yacht and not be a skipper.

It is a hazardous reputation that requires a night watchman.

One safe thing about striking a balance is it can't strike back.

It is no evidence of prudishness to be shocked by a naked live wire.

Don't borrow trouble today, for you may have plenty of your own tomorrow.

In fishing for business it is well to know the difference between a nibble and a bite.

To recognize as few faults in our competitors as we do in ourselves would add dignity to our business.

Should auld acquaintance be forgot, or other friends, or kin, when their insurance is running out and you want to run it in?

There are young insurance men who give the impression that they were born with a premature knowledge of the business.

There would seem to be doubtful comfort in the new way of collecting old debts mentioned by the special agent who said: "I tried for a couple of years to collect quite a balance from our ex-agent at ————, but fortunately he had a fire under a five-year policy of our company and near its expiration, so we deducted the debt and interest from his claim and got our pay."

DIGEST OF INSURANCE CASES

Compiled expressly for THE ADJUSTER

FIRE.

Action on Policy—Books and Accounts—Where a policy of insurance provided for the production of its books and accounts after loss at such a reasonable place as the company might request, and it had its principal office out of the State, and after loss notified the insured to produce his books and accounts at a reasonable place to be designated, but failed to designate any place, failure to produce such books and accounts was no defense to an action on the policy.—*Seibel v. Firemen's Ins. Co.*, 62 *Atl.* (*Penn.*) 101.

Policy—Construction—Where a policy of insurance must be countersigned by an agent in another state, the contract is governed by the laws of the state where the agent resides.

Same — Conditions — Occupancy — A policy of insurance provided that if the premises were unoccupied for 10 days the policy should be void.

Held—That the fact that the premises were reoccupied after such time did not avoid the forfeiture.

Same—Notice of Conditions—An insurance policy provided that it should be void if the building was vacant or unoccupied for 10 days. The company's agent, in affixing the revenue stamp, covered the provision that the policy should be so avoided "unless otherwise provided by agreement indorsed thereon."

Held—That a claim that insured had no notice of the existence of the covenant as to vacancy of the premises could not be maintained.—*Hardiman v. Fire Assn. of Phila.*, 61 *Atl.* (*Penn.*) 990.

Action on Policy—Fraud—Evidence—In an action on a fire policy, in which defendant claimed that plaintiff caused the fire, evidence that the president and manager of the plaintiff corporation had, some 2½ years before, told his then partner that they could never get out of their financial difficulties and had better put several thousand dollars more insurance on their goods, and that thereafter plaintiff's president bought his partner's interest, after which, and about 1½ years before the fire causing the loss on which the suit was founded, the goods of the former partnership were destroyed by fire, was irrelevant.—*Palatine Ins. Co. Ltd., et al. v. Santa Fe Mercantile Co.*, 82 *Pac.* (*N. M.*) 3611.

Subrogation of Insurer—Action by Insured—Where the insurer in a fire policy pays the loss so that he become subrogated to the rights of the insured as against the one causing the loss, the insurer may sue and the insured may not maintain an action against the one responsible for the loss. When the insurer pays the loss he is subrogated to the rights of the insured against the one responsible for the loss.—*Cunningham & Henshaw v. Seaboard Air Line Ry.*, 51, *S. E.* (*N. C.*) 1029.

Action on Policy—Evidence as to Premium—Testimony of the insurer's agent, in an action on a fire policy, as to the time he knew what the premium was, is immaterial; he having testified that he offered the policy for a certain premium.

Same—Reciting Premium in Policy—The validity of an insurance policy, the premium on which was paid, is not affected by omission of a statement therein of the amount of the premium.

Internal Revenue—Revenue Stamps—The question of the want of revenue stamps on an insurance policy, required by law when it was issued, cannot be raised in a state court.

Delivery of Policy—Where a fire risk has been accepted by an insurance agent, the policy written out and signed, and the premium received, and the agent has represented to the property owner that he is insured, there is a binding contract of insurance, though the policy still remains in the hands of the agent.

Title of Insured—Trustee—A mortgagee of chattels to whom the mortgagor has given a bill of sale of the property, he to sell it, deduct the amount of the mortgage, pay other debts of the mortgagor, and give any balance to the mortgagor, being the legal owner and trustee of an express trust, may recover the full amount of an insurance policy taken out by him on the prop-

erty, though it exceeds the amount of his mortgage.

Rejection of Risk by Insurer—Notice to Insured—Where an insurance agent issues a policy, accepts the premium, notifies the property owner that the policy has been issued, assures him that it is in force, and gives him no notice prior to loss that the insurer has rejected the risk, the insurer is liable.—*Wheaton v. Liverpool & London & Globe,* 104 *N. W.* (*S. D.*) 850.

County Buildings—Repair and Reconstruction—A courthouse was destroyed by fire, and the board of supervisors passed a resolution purporting to provide for the repair of the same. The plans and specifications for the work contemplated the retention of the outside containing walls of the old building only, and even they were to be reduced in height, entirely removed at the portico in front of the building, and strengthened at the bottom by a new four-inch brick wall, and flushed with cement. The portico was entirely new. The entrance to the building, the hallways, windows and doors, and arrangement of rooms were all changed, and other changes were made.

Held—That the action of the board of supervisors contemplated in effect the erection of a new structure, and was invalid, in the absence of a two-thirds vote in favor of the same.

Same—Use of Insurance Money—Comp. Laws 1897, § 2543, requires the county treasurer to insure the county buildings at the direction of the board of supervisors. Section 2544 provides that, in case of the destruction of or damage to buildings so insured, the treasurer shall demand and receive the insurance money and pay the same into the county treasury, to be used in repairing or rebuilding such buildings. Section 2484, subd. 16, gives the board of supervisors the care and management of the property and business of the county. Section 2485 provides that the powers mentioned in subdivision 16 of the preceding section shall not be exercised without a vote of two-thirds of all the members elected to the board.

Held—That while the board of supervisors may use insurance moneys collected on the injury or destruction of a public building, either to repair or rebuild such building, such action must be sanctioned by the votes of two-thirds of all the members elected to the board.—*Atty.-Genl. ex rel. Gibson v. Board of Sup'rs.,* 104 *N. W.* (*Mich.*) 792.

Character of Insured's Title—Sole Ownership—Contracts of Sale—The fact that the owner of property has contracted to sell the same does not render his ownership thereof other than sole and unconditional, within the meaning of a fire policy covering the property, where the contract has not been performed at the time of the loss.

Vendor and Purchaser—Possession of Vendee—Character of Possession—One in possession of land under a contract for personal services to be rendered in cutting timber and manufacturing lumber for the owner, and entitling the person in possession to a conveyance on certain conditions of the land remaining unsold when all the timber is manufactured, is in possession as agent or representative of the owner, and not as vendee.—*National Fire Ins. Co. v. Three States Lumber Co.,* 75 *N. E.* (*Ill.*) 450.

Construction of Policies—Ambiguous Phrases—A clause in an insurance policy which is ambiguously worded, or the interpretation of which is in doubt, should be construed so as to effectuate the intention of the parties, if ascertainable; but any doubt should be resolved in favor of the insured.

Same—Iron Safe Clause—An "iron safe clause" in an insurance policy required insured to make an inventory "within 30 days after the date of the policy," unless such inventory had been taken within the 12 calendar months preceding such date, and further required him to keep a set of books representing a complete record of business transacted "from the date of the inventory."

Held—That insured was not required to keep a set of books until after the taking of the inventory, for which purpose 30 days was allowed, so that the failure to keep such books did not defeat a recovery on the policy, where the loss occurred within 30 days from the date of the policy and no inventory had been taken.—*Bray & Franklin v. Virginia F. & M. Ins. Co.,* 51 *S. E.* (*N. C.*) 922.

Reference to Arbitrators—Waiver of Condition—If a referee nominated by the insurer to adjust a fire loss arbitrarily and unfairly refuses to co-operate with his associate in selecting a third referee, and refuses to further act as a referee, such conduct will constitute a waiver by the insurer of its rights to have the loss adjusted by referees, if it authorizes or approves, directly or indirectly, the action of its referee.

Same—If the insurer does not so authorize or approve the action of its referee, but, upon being advised thereof, it refuses to agree to the selection of other referees, it thereby waives its right to an appraisal of the loss.—*O'Rourke v. German Ins. Co. of Freeport,* 104 *N. M.* (*Minn.*) 900.

Insurance—Action on Policy—In an action on a fire insurance policy, where the sole question whether spontaneous combustion occurred, it is not error to refuse to permit an expert chemist to define "fire," "ignition," "ignition point," the relation between "fire" and "flame," and kindred terms, of which the meaning is commonly understood by all well-informed persons.

Trial—Question for Jury—Scientific Theories—Where scientific works of well-known authority and the opinions of experts are widely at variance upon the question whether spontaneous combustion is possible in a certain substance, courts will not assume as a matter of law and fact which theory is true, but will leave its determination to the jury.

Action on Policy—Instructions—In the case at bar it was not error to refuse to give an instruction that "wool cannot set fire to itself," nor to define "fire," nor to instruct that "no degree of heat, short of ignition, producing an actual burning, is covered by the policy," where the court of its own motion charged the jury that the definition of the word "fire" was unnecessary, and that "it would make no difference, if there was fire, whether it was in the form of flame or merely smoldering, but there must be in fact the presence of fire."—*Sun Ins. Office vs. Western Woolen Mills,* 82 *Pac.* (*Kan.*) 513.

Forfeiture of Policy—Keeping Books and Invoices—In an action on a policy, which provided that the assured should keep a set of books, clearly presenting a complete record of business transacted, including all purchases, sales, and shipments, both for cash and credit, the evidence showed that plaintiffs kept a day book in which they entered all their daily sales, and that in the event that it was a cash sale they would enter so much cash and in the event the goods were sold on credit they would enter the name of the purchaser, the amount, and the item. It was further shown that the cash sales shown by these day books were copied into the cash book, and that the credit sales were copied into a ledger, which were exhibited at the trial, but in more than one-half of the sales the items were not copied. Held, that the fact that several items which were sold on credit were not shown in the ledger in no way affected the completeness of the record as to the value of the goods sold, and that the condition of the policy was sufficiently complied with.

Same — Construction of Forfeiture Clauses—Clauses of forfeiture in a policy of insurance will be construed most strongly against the insurance company.

Same — Assignment Before Loss—Transfer as Collateral Security—A clause in a policy of insurance prohibiting its assignment before loss does not prohibit a mere conditional transfer to a creditor, which in effect would only give the creditor a lien on the proceeds of the policy, in the event of loss, to secure his indebtedness.

Same—Where the insured had the right under his policy to transfer it as collateral security, the subsequent act of the insurance company in refusing to allow a clause to be attached making loss payable to another person did not affect such right.

Same—Agents—Unauthorized Acts—The refusal of an insurance company to allow a clause to be attached to a policy making the loss, if any, payable to a third person, and its instructions to its agent to eliminate such clause, were not a notification to him that it would cancel the policy if the insured should transfer it as collateral, so that his acceptance of an assignment of the policy to a bank of which he was cashier to secure a loan was not fraudulent, so as to render him liable for the amount of the loss.—*Scottish Union and National v. Drews & Matthews,* 89 *S. W.* (*Tex. Civ. App.*) 419.

Estoppel—Payment of Loss—Where defendant insurance company executed certain drafts in final settlement of a loss on certain personal property insured by a trade-name, it was thereby estopped, in the absence of fraud, from denying that those who owned the business conducted under such name were the real parties in interest.

Property Insured—Individual Ownership—A policy insuring the "Crawfordsville Sanitarium" against loss or damage by fire to certain personal property was not void because the property was owned distributively by certain of the persons doing business under such trade-name, each of whom had an insurable interest therein.—*New Hampshire Fire Ins. Co. v. Wall,* 75 *N. E.* (*Ind.*) 668.

LIFE.

Change of Beneficiary—Conditions of Policy—Where a life policy provided that insured might, with the consent of the company, assign it, or, before assignment, change the beneficiary, a trust document executed by insured, appointing a trustee to administer the fund to be derived from the policy, amounted to a change of beneficiary and not to an assignment, and hence it was valid, though not consented to by the insurer.—*Home v. Fidelity Trust Co. of Louisville,* 89 *S. W.* (*Ky.*) 521.

Rebating Premiums on Life Policy—Liability of Company for Act of Agent—Under Ky. St. 1903, Sec. 656, providing that no life insurance company doing business in the State shall make or permit discrimination in favor of individuals between insurants, and that no such company or agent thereof shall allow any rebate of premium, and that every company or agent violating the provisions of the section shall be fined, a company is not so liable for the act of its agent in giving a rebate on a premium, not authorized or assented to by it, but disapproved by it.—*Equitable Life Assur. So.,* 89 *S. W.* (*Ky.*) 537.

Bankruptcy—Life Insurance Policies—Effect of Bankrupt's Death—The right of a bankrupt to a life insurance policy having a cash surrender value provided for in the contract on payment of such value to the trustee as provided in Bankr. Act July 1, 1898, c. 541, Sec. 70a (5), 30 Stat. 566 [U. S. Comp. St. 1901, p. 3451], is not affected by his death after adjudiction, but passes to his legal representatives; nor is such right lost by the failure of the bankrupt or such representatives to make a tender of the surrender value until the expiration of 30 days after such value has been ascertained and stated to the trustee by the company.

Same—Policies Having Cash Surrender Value—The proviso to Bankr. Act July 1, 1898, c. 541, Sec. 70a (5), 30 Stat. 566 [U. S. Comp. St. 1901, p. 3451], giving a bankrupt the right to retain "any insurance policy which has a cash surrender value" on payment of such value to the trustee, applies only to policies which, by their provisions, give the bankrupt the right to surrender the same and receive a fixed or ascertainable sum therefor, and policies giving no such contract right pass to the trustee as assets of the estate as of the date of adjudication, free from any right or claim of the bankrupt.

Same—Valid Pledge of Policy—Right of Pledgee—A bona fide assignee of life insurance policies pledged more than four months before the bankruptcy of the pledgor is entitled to hold the same against the trustee in bankruptcy, and on application to the court to have their value determined pursuant to Bankr. Act July 1, 1898, c. 541, Sec. 57h, 30 Stat. 560 [U. S. Comp. St. 1901, p. 3443], for the purpose of fixing the credit to be made on his claim.

Same—Death of Bankrupt Pledgor After Adjudication—Rights of Parties in Interest—More than four months prior to his bankruptcy the bankrupt made a bona fide assignment of three life insurance policies as security for a debt, one of the policies having a cash surrender value and the others not. After the adjudication the pledgee reassigned the policies to another creditor of the bankrupt, receiving a sum therefor which he credited on his debt, and thereafter proved the remainder as an unsecured debt. Before any proceedings had been taken with respect to the policies, the bankrupt died, and they became payable, the amount exceeding the debt of the original pledgee.

Held—That, whatever rights the reassignment may have given as between the parties thereto or as against the bankrupt's administrators by reason of his assent thereto, it did not affect the right of the trustee, which was to redeem the policies on payment of the amount of the debt of the original pledgee and any sums which had been advanced by way of premiums, his redemption being subject, however, to the right of the administrators to retain the policy having a cash surrender value on payment of such value; that the debt so secured by the pledge should be apportioned between the different policies, and the amount apportioned to the policy having a cash surrender value taken pro rata from such surrender value, which belonged to the trustee, and the excess above such value, which belonged to the bankrupt's administrators; that the amount so required to be paid by the trustee in redemption of the policies should be distributed between the original pledgee and his assignee in accordance with their equities growing out of the assignment, subject to the requirement that the excess claim filed by the former against the bankrupt estate should be expunged.—*Van Kirk v. Vermont State Co.,* 140 *Fed.* (*D. C.*) 38.

Liability of Insurer—An application for a life policy stipulated that the policy should not take effect until the first premium was paid and the policy issued. The applicant made a partial payment of the first premium and received a receipt from the agent, which recited that, if a policy

should be issued, the receipt would be accepted in payment of the first premium if the balance was paid on the delivery of the policy, and that no other person than the secretary or president of the insurer could make contracts or waive forfeitures. The policy issued provided that the annual premium should be paid in advance on the delivery of the policy.

Held—That the insurer did not bind itself to pay the policy unless the first premium was paid in full at the time of the delivery of the policy during the good health of the insured.

Same—Soliciting Agent—Where a life policy, which acknowledged the payment of the first premium, was forwarded to the soliciting agent of the insurer, to be delivered to the insured on the payment of the premium, the agent, until the premium was paid, was the agent of the insurer, and not the agent of the insured.

Same—Liability of Insurer—Payment of Premium—Where an application for a life policy provides that the application is to become a part of the policy issued thereon, and that the policy shall not take effect until the first premium is paid, and the policy issued shall be accepted subject to the conditions therein contained, a policy will not take effect until the premium is paid and the policy issued.

Same—An application for a life policy stated that the policy should not take effect until the first premium was paid during the good health of the applicant, and recited that the applicant had received from the soliciting agent a receipt making the insurance in force from the date of the application on the issuance of a policy thereon. On the same day the agent delivered to the applicant a receipt reciting a partial payment of the first premium and stipulating that, if a policy should be issued, the receipt would be accepted in part payment of the premium, provided the balance would be paid on the delivery of the policy.

Held—That the applicant was not led, by the statement in the application that a binding receipt had been issued, to believe that a policy would be in force from the date of the application, it being presumed in the absence of fraud, that the applicant had read the application and receipt; and hence the beneficiary could not recover on the policy, on the death of the insured before payment of the first premium.—*Bowen v. Mutual Life Ins. Co.*, 104 *S. W.* (*S. D.*) 1040.

Life Policy—Payment to Designated Beneficiary—Effect—A payment of a life policy to the person designated as beneficiary, described as insured's wife in the application for insurance and in the policy, on her furnishing proof of the insured's death, is a valid payment as against the representative of the insured, when made in good faith and without knowing that the beneficiary was not insured's wife.—*Metropolitan Life Ins. Co. v. Louisville Trust Co.*, 89 *S. W.* (*Ky. App.*) 268.

Sufficiency of Notice of Time For Payment of Premium—Prefixing the words "the conditions of your policy provide" to that part of the notice of the time for payment of the premium which, under N. Y. Laws 1892, chap. 690, § 92, must state that, unless paid by or before the day it falls due, the policy and all payments thereon will become forfeited and void, does not render such notice insufficient as a basis for forfeiture for nonpayment, although the policy in fact provides for a forfeiture only in case of nonpayment of the premium within thirty days after it is due.—*Nederland Life Ins. Co. v. Mary Meinert*, 26 *Supreme Court* 15.

Assignment of Life Policy by Insured—Under the charter of a life insurance company providing that a policy for the benefit of insured's wife or children shall not be held or made liable for his debts, but on his death all the insurance shall be paid the beneficiaries named, free of his debts, a paid-up policy may not, without consent of the beneficiaries, be assigned to the insurance company, or accepted by it, as security for a loan by it to insured; the provision of the policy that insured, with the consent of the company, may at any time assign it, being repugnant to the charter.

Same—Subjecting Policy to Debt to Company—Independently of, as well as under, the charter of a life insurance company, providing that a policy for the benefit of insured's wife or children shall not be liable for his debts, but on his death shall be paid the beneficiaries named, the policy, containing no provision for its surrender for its cash value on becoming a paid-up policy, or for a loan thereon at such time by the company to insured, may not be subjected to payment of a loan by the company to him after the policy became paid up, under the provision in a pledge of it by him to the company, as collateral for the debt, that on default in payment of the

debt the policy shall be surrendered to the company for cancellation at its surrender value to satisfy the debt.—*Mutual Life Ins. Co. of Kentucky v. Troyman et al.*, 89 *S. W.* (*Ky.*) 1781.

Evidence — Presumptions — Suicide—Where the circumstances surrounding a death are such as to admit of the conclusion either that the death was self-inflicted or not, there is a presumption against suicide.

Same—Where the fact that a death was intentionally self-inflicted is proved, and that deceased was in a normal condition of mind, there can be no presumption that the act was unintentional, or the result of that insanity which deprives the mind of its knowledge of the probable effect of the act upon life.

Suicide—Insanity—Where an insured intentionally takes his life at a time when his mind is so far gone as to render him unconscious that he is taking his life, the death will be regarded as accidental, and not within a provision of the policy exempting the insurer from liability in case of suicide.

Same—Though the mind of insured may have been deranged when he took his life, if he had mind enough to know that the act would probably result in death, it is suicide, within a clause of the policy exempting the insurer from liability in case of suicide.—*Masonic Life Assn. v. Pollard's Guardian*, 89 *S. W.* (*Ky.*) 219.

Limitations of Actions—Nonresidents—Foreign Insurance Companies—Under Code, § 162, providing that if, when a cause of action accrue, the defendant shall be out of the state, the cause of action may be commenced within the time limited after defendant's return, and that the time of his absence shall not be counted a part of the time limited for the commencement of such action, limitations do not run in favor of a nonresident insurance company, notwithstanding Laws 1901, p. 66, c. 5; Laws 1899, p. 175, c. 54, § 62 (3), authorizing service of summons against nonresident insurance companies on the Commissioner of Insurance.

Corporations—Character of Business—Change—Where the charter of an insurance company authorized it to issue different kinds of policies, it was authorized to discontinue the writing of assessment insurance as against an assessment policyholder whose policy contained nothing requiring the company to continue writing such insurance.

Abandonment of Policy—Cancellation—Damages—Where an assessment policyholder voluntarily ceased payment of assessments and abandoned his policy, he could not thereafter recover damages for its cancellation.

Actions—Evidence—Where, in an action to recover damages for the wrongful cancellation of a policy, plaintiff had testified that he had ceased to pay assessments thereon because he "saw he could not keep up," his motives, or the method of reasoning by which he arrived at his conclusion to abandon his policy, and whether he subsequently took out other insurance in lieu of that abandoned, was irrelevant.—*Green v. Hartford Life Ins. Co.*, 51 *S. E.* (*N. C.*) 887.

CASUALTY.

Consummation of Contract—Where a life policy stipulated that it should not be binding on the insurer unless countersigned by the policy writer, and the actual time of the countersigner was after the death of the insured, and the policy writer and the officers of the insurer were at such time ignorant of the insured's death, there could be no recovery on the policy.

Same—Evidence—In an action on a life policy it was shown that the agent of the insurer, under the authority given by the insured, signed insured's name to the application and executed an assignment of insured's wages for the premium between 9:30 a. m. and 12 o'clock noon on a certain day. The name of the beneficiary was inserted in the application on the same day, but in fact after the death of the insured. The testimony only raised a mere suspicion that insured was alive when the agent signed the application. The insured and the agent had agreed that the agent should write up a policy for a specified sum, when the first premium could be taken out of certain wages of insured, which could not be done until two days before the agent prepared the application and the assignment of wages for the premium. Held insufficient to establish a contract of life insurance consummated before the death of the insured.—*Dickey v. Continental Casualty Co.*, 89 *S. W.* (*Tex. Civ. App.*) 436.

Policy—Stipulations—Waiver—An insurer, indemnifying an employer against damage for injuries to its employes, does not, by denying liability prior to the procurement of a judgment against the employer for injuries received by an employe, waive the stipulation in the policy that no action shall lie against the insurer, except

for loss sustained by payment of a judgment against the employer for injuries received by an employe, nor subject itself to a proper demand for the payment of the policy before that time.

Same—Construction—A provision in a policy indemnifying an employer against damage for injury to its employes, binding the insurer, on the summons in an action against the employer for injuries received by an employe being forwarded to it, to defend the suit at its own cost, does not bind the insurer to become a party to the action, nor authorize the employer to make it a party, in view of another provision that no action shall lie against the insurer, except for loss sustained in payment of a judgment against the employer for injuries received by an employe.

Master and Servant—Injury to Servant—Independent Contractor—Evidence—Instructions—Where, in an action for personal injury, the issue was whether plaintiff was an independent contractor or an employe while engaged in removing a boiler, and the evidence warranted a finding either way, and showed that plaintiff kept time of himself and his men in doing the work, and that on that basis he was settled with, the refusal to charge that the furnishing by the defendant of specifications for the work, and his maintenance of the right to determine whether the work was done according to contract, were not inconsistent with the existence of an independent contract, and that an independent contract might exist, though the amount to be paid was dependent on the time consumed in doing the work, was reversible error, though the court correctly charged in general terms on the question.

Same—Obligation of Employe to Inspect Appliances—An employe is under no obligation to his employer to inspect appliances furnished by the employer.

Same—Duty of Employer to Inspect Appliances—Negligence—It is the duty of an employer to use ordinary care to make such an inspection of appliances furnished an employe as a prudent person would make under the circumstances, and the failure to use ordinary care in inspecting the same is negligence per se.—*Tex. Short Line Ry. Co. v. Waymire et al.*, 89 *S. W.* (*Tex. Civ. App.*) 452.

Application—Construction — Warranties—Where insured, in his application for accident insurance, warranted that he had never had "paralysis, fits of any kind, brain disorder, diabetes, hernia, varicose veins, or any bodily or mental infirmity, injuries or wounds," or suffered the loss of a limb or an eye, except as stated, and that he had never been ruptured or "otherwise injured," the words "injuries or wounds" and "otherwise injured" should be construed to refer only to such serious other wounds or injuries not specified as might affect the risk.

Question for Jury—Where insured, in an application for accident insurance, stated that he had not had any bodily or mental infirmity, injuries or wounds, or been otherwise injured, in addition to several diseases and injuries specified, whether a mashed foot or injured finger, not disclosed, were such injuries as increased the risk, and were within the contemplation of the parties, was for the jury.—*Trenton v. North American Accident Ins. Co.*, 89 *S. W.* (*Tex. Civ. App.*) 276.

Accident Policy—Death by Inhaling Gas—A provision in an accident policy was to the effect that the insurance should not cover death resulting wholly, partly, directly, or indirectly from any gas or vapor.

Held not to exempt the company from liability for death by asphyxiation from gas escaping into the room in which the insured was asleep and unconsciously inhaled by him, causing death.—*Travelers Ins. Co. v. Ayers*, 75 *N. E.* (*Ill.*) 506.

SICKNESS.

Sick Benefit — Policy — Conditions — Application—Where plaintiff's preliminary notice of illness as a basis for a claim on a sick benefit policy recited that he was not necessarily confined to his house nor to his bed, and plaintiff's physician as a witness testified that he was not necessarily confined to the house during the continuance of his sickness, plaintiff was not entitled to recover under a provision for the payment of benefits while the insured was "necessarily, entirely, and continuously confined to the house and subject to the calls of a registered physician."

Same—Actions—Contract Limitations—Waiver—Where, in an action to recover sick benefits under a policy, defendant immediately denied liability on January 7, 1902, on receipt of proofs, but later, on July 15th, offered to pay $30 "for the sole purpose of avoiding litigation and the attendant expenses thereof," which offer was renewed on July 18th, such offers were not negotiations calculated to prevent plaintiff from bringing suit, and therefore did not

amount to a waiver of a policy provision providing that no suit should be brought thereon unless commenced within three years after the right of action accrued.—*Cooper v. Phoenix Accident and Sick Benefit Assn.*, 104 *N. W.* (*Mich.*) 734.

FRATERNAL

Mutual Benefit Association—Change of By-Laws—Effect on Beneficiary—Where all dues and assessments required by the by-laws of a mutual benefit association have been paid, the beneficiary named in the certificate cannot be deprived of the benefit specified by amendments to the by-laws adopted after the issue of the certificate, though the application for membership contained a clause by which the applicant agreed to comply with the by-laws then in force or which might thereafter be adopted, and though the certificate contained a clause that the payment to the beneficiaries should be of such sums as the by-laws of such association may from time to time prescribe.—*Evans v. Southern Tier Masonic Relief Assn.*, 75 *W. E.* (*N. Y.*) 317.

NOTES OF THE MONTH.

Fire.

At a meeting of the Southern of New Orleans, held last month, the following directors were elected: Robert Dickson, Arthur G. Langham, Walter Danziger, J. H. DeGrange, Albert Godchaux, John E. Hendry, George Lanaux, John S. Morton, Jr., Scott McGhee, Julian D. Payne, Robert Ross, E. Shelby, Geo. N. Thompson, Robt. D. Tweeddale, Sol Wexler and Charles Weiss. These were named by Mr. Dickson, who will become president in February and enter the company in New York and other states.

The Netherlands Fire, of Holland, will discontinue business in this country at the close of the present year except as to surplus lines.

The Austin Fire of Texas has been licensed by the Missouri insurance department.

Walter D. Williams, second vice-president of the Spring Garden Insurance Company, is elected vice-president of the American Fire Insurance Company of Philadelphia. The company will enter Texas this month.

The United States offices of the London and Lancashire Fire have been removed from New York to Hartford, where the company is occupying its new building.

The old Fame Insurance Company of Philadelphia will be revived under the charter granted in 1856.

When a risk is written for three years at two annual premiums, what does the company get for carrying the risk the third year? The interest on one premium for one year. Does it pay?—Firemans Fund Record.

The Home of New York has reconsidered its intention of entering New Mexico, concluding that the game is not worth the candle.

Life.

The Mutual announces to its agents that hereafter its maximum line on a single life will be $250,000.

An important decision was handed down by the Circuit Court at Newport, Ky., last week in the case of Harry Spinks versus the United States Life, in which a lapsed policy was held to be still in force although it contained no extension features. A policy for $25,000 had been written by the company on the life of the father of the plaintiff, which had been allowed to lapse twenty-three days prior to his death. The court held that unpaid dividends kept the insurance in force and awarded judgment of $25,000 and $12,000 for costs and interest.

Men competent to run an insurance company are not as plentiful as huckleberries. They do not grow upon every bush. It is entirely right that men who have devoted their lives to the profession of life insurance should be kept in control of the life insurance companies. The ordinary policyholder is not competent to run a life insurance company. He must put his trust in others."—Wall Street Journal.

Charles A. Peabody, the newly elected president of the Mutual Life, will receive a $50,000 salary. Mr. Peabody is a lawyer.

Before the investigating committee President Tatlock of the Washington Life testified that he believed one of the functions of life insurance was that of banking, that it should buy securities for a resale in a rising market. Mr. Tatlock justified syndicate transactions because of their money making power. He favors placing such investments in the hands of honest men close to Wall street.

"There may be some dead limbs upon the old tree, but, if so, we must lop them off. The heart of the oak is as sound as ever, and its grand old roots are embedded deep in the soil of everlasting truth. When this present crisis is over, and when we see more clearly, as we must, the evils

which have existed, we will find the public more intelligent and discriminating, the companies more careful and the idea of the sacred trust of life insurance more prominent in the minds of all."—Geo. E. Ide.

R. D. Tweeddale, of Dickson & Tweeddale, has been appointed manager for the Reliance Life Insurance Company of Pittsburg for New York State except Buffalo and a few counties in that section; also for New Jersey and Connecticut.

President Morton announces his policy in the management of the Equitable to be "Quality, not quantity, safety and satisfaction, not size."

Casualty.

J. A. McDonald, formerly manager for Western Pennsylvania for the Security Trust and Life, was released under $4000 bail. He is charged by the company with embezzlement to the extent of $2515.64. His brother, A. F. McDonald, formerly manager of the Reliance Life, is on the bond.

The recently formed Phoenix Preferred Accident Insurance Company of Detroit has deposited $100,000 with the State Treasurer as a necessary condition to engaging in business.

The Pacific Surety Company is now operating in Ohio.

The United Surety Company of Baltimore, recently organized, is equipped to write general surety, fidelity and burglary insurance. It has a capital of $500,000 and a surplus of $250,000. Mr. Olin Bryan is its president; Mr. Henry G. Penniman, vice-president.

The recently organized Phoenix Preferred Accident Company of Detroit has deposited with the Michigan State treasurer $100,000 and will shortly be authorized to transact business.

Surety companies must deposit $50,000 before they can do business in Alabama.

The Kansas Supreme Court has decided that swallowing a pin is not an accident within the meaning of an accident insurance contract. E. Barnes, a traveling salesman, was laid up for several weeks by an operation for the removal of a pin which he had swallowed. He sued an accident company to recover $50 per week and got judgment in the lower court, but this has now been overruled by the Supreme Court.

Charles H. Ackerman, for years cashier of the Preferred Accident, succeeds the late Allen S. Apgar as treasurer and a director of the company.

The New York Life.

Over ten thousand people applied to the New York Life last month for insurance, and over seventy-five thousand paid their renewal premium, making a total of 85,000 endorsements of the company from as many people in thirty days, and all these people backed up their opinion with good hard money.

Case and Comment.

Failure of police officers having charge of the holder of an accident insurance policy to protect him from assaults by other persons is held, in Jarnagin v. Travelers' Protective Association (C. C. A. 6th C.) 68 L. R. A. 499, not to take his killing by them out of a provision in the policy that no recovery can be had upon it in case of death from intentional injuries inflicted by insured or any other person.

A statute forbidding the forfeiture by local corporations of insurance policies for non-payment of premiums, until a certain time after notice of the amount and date of payment has been mailed to the insured at his last-named postoffice address "in this state," is held, in Metropolitan Life Ins. Co. v. Bradley (Tex.) 68 L. R. A. 509, not to apply to policies issued in other states, unless expressly made applicable by the terms of the policy.

The exemption from execution of the proceeds of insurance policies is held, in Holmes v. Marshall (Cal.) 60 L. R. A. 67, not to be limited to claims against the insured, but to extend to those against the beneficiary, under a statute providing that all moneys, benefits, privileges, or immunities growing out of life insurance are exempt from execution.

A niece of a former wife of a man is held, in Smith v. Supreme Tent K. of M. (Iowa) 69 L. R. A. 174, not to be a relative of his child by a subsequent one within the meaning of a statute permitting certificates of mutual benefit societies to be taken in favor of relatives.

A provision of a life insurance policy that suit shall be brought on it within a period less than that fixed by the statute of limitations is held, in Union Central L. Ins. Co. v. Spinks (Ky.) 69 L. R. A. 264, to be void as against public policy.

General R. H. Magill, formerly district manager at Oakland of the Western and British America insurance companies, severed that connection on January 1st and this department will be managed hereafter by General Agent W. L. W. Miller, from the San Francisco office.

CONDITIONS WHICH CONFRONT INSURANCE COMPANIES IN MATTERS OF LEGISLATION AND TAXATION.

BY ANDREW HAMILTON

The New York Life Insurance Company transacts business in every one of the states and territories and in the District of Columbia, all of which constitute the United States. It also transacts business in practically every civilized country in the world. It is doubtless well known to you that every insurance company which holds its charter from the State of New York, is legally considered in every other state of the union as a "foreign corporation," and is treated as such. Each one of these states and territories is sovereign in regard to the way in which the New York Life Insurance Company shall conduct its business in that state. They can pass any laws they see fit, and the New York Life Insurance Company is obliged to comply with the requirements of these laws or quit the state. The license which is given this company to do business in the various states is good for one year and must be renewed annually. A savings bank is subject to control and taxes by a single state. The great railroad systems may extend into a dozen states, but the great life insurance companies of New York State have more than 50 bosses in the United States, at least one in every state and territory, represented by the legislature and the special insurance official. Even in far-off Hawaii an extensive plan of insurance regulation was brought forward last year. We can pass by, for the present, Canada and the foreign governments. Under the form of government of the states in the United States, "representative democracy," the legislative bodies are frequently composed of persons not sufficiently well versed in legal matters; their knowledge of insurance is also, in the great majority of cases, restricted, and they have but a very vague notion of the enterprise as a whole. Without in any way impeaching the honesty of purpose of such legislators, it is but fair to say that the greater part of them are very anxious to show their zeal as public benefactors in the interest of the people of their own state. Their favorite manner of proceeding is to attempt to enact laws which require the policyholders of insurance companies-at-large to pay to the particular state treasuries more or less extravagant amounts as taxes. In the few states where no tax is at present specifically imposed, numerous bills are regularly introduced providing for taxes varying from high to low. Where a tax is at present imposed, it is sought to increase it. Legislators seek to increase the revenues collected by the several state insurance departments from the insurance companies. Bills to compel the company's reports to be repeatedly and unnecessarily published in newspapers, are advocated, to gain favor with the press for increasing their revenues. At the instigation of companies engaged in other forms of insurance and by other corporations to exempt themselves, burdens on insurance are urged in various forms. Enactments are offered calling for investment of the company's assets in enterprises within the particular state, or for deposits of the policyholders' reserves with state officials. Non-forfeiture and notice laws, and different principals for surrender values are proposed for the particular state, which are intended to discriminate against the great mass of policyholders not resident in that state. Wholesale revision or codification of the insurance statutes of some state or states, is continually under way. Surplus, which is a misnomer in life insurance and which the legislators do not seem to understand is a liability, catches their eye and they call for its distribution. Forms of policies, restriction of legitimate defences, and evasion of the general rules of evidence in insurance actions, are multiplied. Taxing of the cash value as a personal asset of the policyholder; laws forbidding the companies to remove their cases to the United States courts under penalty of cancellation of the license of the company to do business; proposals to place the company at the mercy of blackmailers, financial highwaymen or competing companies, by compelling the companies to print lists of their policyholders, are but a few of the many propositions that arise annually. These represent by no means all the topics of interest to the policyholders of the New York Life Insurance Company, which test the resources of my department to ameliorate at least, if not defeat. Affirmative legislation to repeal or modify existing laws in various states

which embarass the company's business, is offered occasionally. Outrageous propositions, such as the 10 per cent tax proposed in Arkansas, or absurd propositions like the Michigan Bill, where a doctor's certificate of ill health would excuse the payment of the insurance premium and keep a policy in force; or the Virginia Bill, making it actionable for a life insurance agent to enter the office of a man where the sign "No Agents Allowed" is displayed, find legislative favor. However ridiculous these bills may seem, they demand attention. It must be borne in mind that my department not only represented the interests of the policyholders, but also represented the interests of the agents. The equal of the agency force of the New York Life Insurance Company has never been seen, and it has been one of my chief ambitions to prevent legislation hostile to the interests of those agents, and many bills were introduced which, had we not been watchful would in a great many states have entirely destroyed our agency organization. Measures harmless in their terms, pending in distant states, or even near at home, not watched, are liable to be changed without warning to include life insurance subjects. Fire insurance bills are amended to affect life insurance companies, and general measures are changed to catch both. If it is proposed to raise money for state purposes, then at once all the other corporate interests attempt to have the requisite amount levied upon the policyholders of life insurance companies and the burden not placed upon the other corporate interests.

It makes no difference if the enactment originates in territory where it affects but little busines, because such an enactment becomes a precedent to be followed by others. As an illustration of precedents, the Indiana tax cases are pertinent. In the Indiana Legislature the attempt was made to pass a law placing the surrender value of a life insurance policy upon the list of personal property which was taxable to the owner. Companies which offered no such advantages to policyholders supported it as an attack upon their rivals who offered this advantage. The measure, however, was defeated. Immediately the state assessors proceeded to tax policyholders, proclaiming that the existing law was broad enough in its terms to cover this. The proposition was as novel as it was important. If it was true of Indiana, it was probably true of many other states in the Union. It would have caused an annual expense on all policyholders, enormous in the aggregate; yet the amount collectible on a single policy would be relatively so small that it would not excite a policyholder to incur the great expense of protracted and aggressive litigation. The New York Life Insurance Company, through my department, retained eminent and influential counsel and succeeded by a divided court in defeating the project. The expense was large, but it accomplished a saving to policyholders of the New York Life Insurance Company in that state of many times this large sum paid, to say nothing of the benefit to insurance generally in that state and to the business of insurance in those other states which were willing and anxious to follow Indiana if the plan succeeded. Following out this idea developed in Indiana, several states—notably Arkansas—introduced similar measures, all of which were defeated.

Let me transgress here for a moment to say that it would have been comparatively easy for the officers of these insurance companies to have sat with arms folded and allowed the legislators to pass whatever bills they cared to. The passage of these bills would not affect these officers personally, for I have never known of a bill to be introduced or hitherto thought of, which would have had the slightest effect upon the compensation or duties of the officers of life insurance companies. But these gentlemen have assumed their responsibility in accordance with their idea of their duty towards their policyholders whose interests they represent.

During the last seven years there have been introduced in the various states, over 750 bills directly affecting the interests of the policyholders of the New York Life Insurance Company. As I have stated above, many of these measures, had they passed, would practically have driven the company out of business in the particular state; but, in addition, the tax measures that have been so defeated in connection with my work within this period of seven years, shows that there has been a saving to New York Life policyholders in this one item alone, of over $2,500,000. In other words, had these proposed tax measures been passed, it would have cost the policyholders of the New York Life Insurance Company $2,500,000 more than they have already paid within the period of seven years. The company pays this year in the United States, for taxes and official fees, about $780,000, which the proposed legislation would have swelled to $1,299,000.

UNIFORM AND INDIVIDUAL ADJUSTMENTS COMPARED.

WILLIS O. ROBB BEFORE THE PHILADELPHIA FIRE INSURANCE SOCIETY.

The chief element of success in adjusting losses is the personal force and quality of the adjuster. The best adjuster in Boston, or New York, of Philadelphia, or Chicago, or New Orleans, or San Francisco, is the adjuster with the best all-round equipment of general ability and "striking weight"—not necessarily the man best educated in the details of his work, though he is very likely to be that in addition. An adjuster deals not only with losses, and with the meaning of contracts of insurance against losses, but also with the human beings—made up of all manner of racial and personal peculiarities, and encountered in all possible states of mind. And it is even more necessary that he should be an expert in this branch of his profession than that he should perfect himself in the other two. An adjuster is no adjuster at all, and never will be, unless he is much more than an adjuster. In the best sense of the expression, he must be "above his work," because he must also be below it and all around it—in fact greater than it in all directions. Just as the preacher must be better than his sermon, the advocate more persuasive than his argument, and the statesman wiser than his statutes, so must the adjuster abound in reserves of intelligence, of resourcefulness, of personal force, beyond the needs of any of his adjustments. When he begins to be wholly engrossed in the technicalities of knowledge and procedure in which he deals, he ceases to be an artist and becomes a drudge. If he fails to recur constantly to general principles for the determination of his conduct in specific emergencies, he is allowing his individuality to become "subdued to what it works in." What he needs, what we all need, in this and every other branch of the insurance business, and of every other business, is the thing Matthew Arnold used to plead for, "a free play of thought about our routine notions."

So much for men in loss adjustments. Now a few words about methods. It is true, of course, that if insurance companies could always find men of the sort we have been describing to handle their adjustments, they could afford to be almost indifferent to the question of methods. For such men could be trusted to make methods for themselves. But in the first place such men are very rare indeed, and in the second place one of the most serious faults in method of which company managers are guilty is in their method of using even the best of adjusters when they are fortunate enough to find the best. And it is to that particular fault of method that I would now direct attention in the hope of pointing out a remedy therefor.

It stands to reason—does it not?—that the very worst use you can make of a man of first-rate powers and talents is to put him in a position where he cannot properly bring those powers and talents to bear on the work you want him to do. Well, that is exactly the thing the companies do—not in absolutely every instance perhaps, but certainly in the long run and on the average—when they send ten or twenty men to adjust a loss that only one or two can properly work on. And the more strong men there are in the group the worse the adjustment will be handled. Any two average men, or if the body averages high, probably the two least competent men in the ten or twenty would do that task better than all the ten of twenty can possibly do it together. The town-meeting methods of adjusting large losses, therefore, besides overloading the expense account and swelling the loss ratio of the companies, and discrediting the entire business of fire insurance with the public, tends both to waste and to hamper the none too abundant adjusting talent available. From every point of view the practice, whether in its original or any of its modified forms, is deplorable.

For reasons which I need not now stop to set forth, almost every fire insurance company doing a widely distributed business throughout the country issues a steadily decreasing percentage of policies; on risks it insures alone; and, conversely, the average number of companies involved in each fire loss is increasing, not decreasing. How to handle joint adjustments is therefore a growing problem, not a vanishing one.

Rights reserved to the companies by the terms of their contracts must often be jointly exercised if they are to be exercised at all. Such are the right to take the damaged property at its ascertained or appraised value, and the right of replacement. And, in practice the rights of appraisal and of subrogation,

and the right to examine the claimant and his books of account, must often be jointly exercised or rendered intolerably harassing and obnoxious.

All these considerations, as well as the desire to reduce expenses, long ago began to have weight with underwriters, and to call into operation either temporary or permanent systems of handling joint adjustments for joint account. The ordinary first stage of this development is represented by the called meeting of managers, or agents, or adjusters, on the happening of a loss, and the appointment of a committee to make the adjustment. And to a large extent this method still obtains, both in the department-headquarters cities and in the field at large. It is, however, seriously defective in several respects. It often compels a slow start where a swift one is all-important, or requires frequent references of doubtful points to the several companies for action, either in meeting or by correspondence; moreover, it provides no common collection of adjustment results and data for future reference and guidance, and is wholly lacking in the element of authoritative and permanent representation of underwriting interests as a whole.

The establishment of adjusting bureaus owned and controlled by companies or company managers, such as the Insurance Adjustment Company of Cincinnati (in operation from 1876 to 1886) and the Western Adjustment & Inspection Company of Chicago, did something to reduce expenses and to broaden the scope of the operations which individual independent adjusters had long carried on with more or less advantage to the business. But this system is also defective in several of the points enumerated above, and it has provoked a good many hostilities that must limit its general usefulness.

In New York City the growing dissatisfaction with previous methods of taking care of joint adjustments resulted in the adoption by the Board of Fire Underwriters, three years ago, of a new by-law, under which two years ago last May the loss bureau of the board began operations. It is under the control of the committee on losses and adjustments, one of the regular standing committees of the board, which meets twice a month, or oftener if necessary. The actual workings of the loss bureau are in charge of the secretary of the committee (an adjuster and company loss department manager by training) who has a staff of eight or ten clerks.

The rooms of the committee are on the same floor of the same building with the electrical and survey bureaus of the board, the Fire Patrol, the Fire Insurance Exchange, and the National Board of Fire Underwriters. When any loss in the metropolitan district, involving more than three members of the board, is reported to the office of the committee, either by the Fire Patrol, or the broker placing the line, or any company or office interested, a correct list of insurance is obtained and one or more adjusters assigned to adjust the loss, all members interested being at once advised of this assignment. There are rather more than fifty "approved adjusters" in New York, of whom just about half are salaried employes of their respective companies or offices, and the other half independent adjusters. Whether one or two or three adjusters are assigned to a loss depends on the magnitude of the loss, the number of separate classes of property involved, and similar considerations.

During the first two years the average was about six for every five losses. The choice of men depends on the known preferences of offices with leading interests in the loss, on the supposed fitness of particular adjusters for particular kinds of work, on the previous engagements of the men, etc. Any board member, under the by-laws, has the right, within twenty-four hours after receiving notice of an assignment, to notify the committee in writing that he will attend to his own adjustment through a named "approved" adjuster. Non-board officers, including Lloyds and similar organizations, and Brooklyn and Jersey City agencies not reporting to or through board members, are, when interested, also notified at once of all assignments, and asked to advise the committee whether they will leave their several interests in its hands.

Last year, in about 1,250 adjustments in which it acted, involved over six million dollars of insurance loss, the committee represented 89.4 per cent. of all the insurance involved, whether in board or non-board companies.

I do not believe there is any—certainly there is no considerable difference of opinion among members of the New York Board of Fire Underwriters as to the success of the board's attempt to take permanent control of this class of adjustments. The board simply could not afford to dispense with it. It has sharply reduced both the actual expense of adjustments and the volume of the ad-

justed losses themselves, it has given the whole profession a more creditable and dignified attitude toward the public. it has powerfully tended to reduce fraud and corrupt practices, it has furnished a central source of statistical data and authoritative opinion on loss and adjustment matters, it has increased the dignity and responsibility and therefore the efficiency of the adjusters in charge of important adjustments, and generally toned up both the business of adjusting losses and the men who are engaged in it, in the city of New York.

If the permanent and authoritative central control of adjustments were viewed merely as a luxury it would be well worth paying a good price for. To have this important branch of our business carried on decently and in order, with credit to the profession and satisfaction to the public, to develop and afford scope for a better grade of adjusting ability, to collect and render available loss statistics of all kinds—covering persons, occupations and classes of risks—to facilitate the work of the public officials in keeping down the crimes of arson and the filing of fraudulent claims—this would justify us in spending some money, would it not? But in point of fact the system not only pays its own way but makes a marked saving both at the spigot and the bung—in expenses and in loss payments. I need not commend it—it cannot but commend itself—to your earnest and favorable consideration.

PUBLICITY A FACTOR IN FIRE INSURANCE EDUCATION.

C. M. CARTWRIGHT BEFORE THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST.

I want to deal with the subject of publicity from two aspects. First, the relationship of insurance companies and men to the trade insurance press, and secondly, their relationship to the secular papers.

I will briefly discuss the relationship of companies and underwriters to the insurance newspaper men. Even in my brief experience there has been a noticeable change and improvement in this direction. I can readily recall the time in attending meetings of legislative organizations when the press was counted an interloper and a spy. No information of any kind was furnished in an official way and newspaper men were left to grope in the dark and secure such items of interest as they could get in a clandestine way. This experience was most humiliating, especially when a newspaper man found at these meetings his friends taking every precaution not to be seen talking with him. A distressing odium attached to any man who was discovered conversing with a representative of the press. In this way articles were published in newspapers that were undoubtedly distorted and incorrect. This was a false relationship and the important factors at these meetings finally discovered that there was a much fairer, more dignified and safer plan in dealing with newspaper men.

Some years ago the Chicago Underwriters' Association followed this plan of secrecy, its officers refusing to furnish any information. The newspaper men, therefore, resorted to their wits in securing the main features of meetings. This resulted in matter being published which caused much embarassment and undoubtedly thwarted many plans that were under discussion. A young man was finally elected to the presidency of the association who had liberal views and he decided to deal with the newspaper men on a different basis. He called them together, stating that he appreciated the value of the newspapers, their influence and their ability to secure information. He knew that it was impossible to suppress the publishing of information so long as special men were detailed in the task of securing it. He therefore made a reciprocity treaty with the newspaper men, agreeing to tell them everything that transpired and then discussing with them what might be published and what not.

This is the only proper method in my mind to deal with representatives of the insurance press.

If I were conducting a field organization or any legislative body, I would simply go to the responsible heads of these insurance newspapers or insurance editors of the daily papers, or the insurance news correspondents that cover the field and secure a personal relationship that would be mutually beneficial. I would say to those men that the organizations and insurance men recognize the value of these papers, their influence, and acknowledge the fact that they are able to secure as much information as they de-

fire. However, I would say that it would only be fair if the insurance men furnished information and thus saved the newspaper men considerable trouble if the latter would agree to withhold such information as would not be politic to publish. Whenever confidence is violated then it is time to sever all friendly relationships.

Coming to the second point, viz: the relationship of the companies and underwriters to the secular press, I appreciate the fact that this is all important. You at once enter a domain that is entirely different from dealing with the trade newspaper men. You now have to deal with newspaper men who have but little knowledge of the operations of insurance companies. Almost all of them are prejudiced. They look upon insurance as being conducted by a gigantic trust that is aiming to take every advantage of the public.

It is a well-known fact that the public, juries and courts are replete with prejudice against insurance companies. It is a very difficult thing to find a jury in these days that will treat fairly with the insurance companies. This same narrowness of view and deep-seated prejudice exists in legislative halls. Hostile laws are passed that hamper the natural workings of the insurance companies. Most of these measures are directly opposed to the public interest.

In my opinion this limited vision and prejudice are the results of an erroneous policy that has been followed by the fire insurance companies. Publicity is given in papers to lawsuits, disagreements with the assured and loss claimants, the movements of companies in increasing rates and requiring improvements. These features of fire insurance in which ostensibly the companies seek to antagonize the public have received the attention of papers and writers throughout the entire country. The fire insurance companies have been in retirement, so to speak, so far as allowing the benefits of their business to be known.

It is but natural to suppose that when the public only hears of contested losses, increases in rates or the use of clauses that seem to be for the benefit of the companies alone that a wide-spread prejudice and an erroneous opinion of fire insurance companies have been created.

The companies have taken no measures to modify these opinions. Thus at every legislature there are passed laws inimical to your business. You are involved in lawsuits and receive unjust verdicts. Many of the judges themselves are unable to look upon insurance litigation with a fair mind. Your case is prejudiced before hand.

The little effort that has been made in the way of enlightening the public by the fire insurance companies has proven advantageous and yet it has been carried on in a very crude way by underwriters whose attention is almost wholly occupied with their business. They are not newspaper men. They do not appreciate the methods employed in securing the good will of newspapers nor do they understand the various plans and schemes employed to have articles published. The newspaper business and publicity go hand in hand and constitute a business by themselves. They require carefully trained men as do the insurance companies. There are but few underwriters actively engaged in their business that can give any attention to the work of publicity.

I believe the time has come when the insurance companies should come out of retirement and seclusion because this is an age of publicity and the great interests of the country recognize it. It will not be possible to eliminate all the prejudice and narrowness that exist. It will not be possible to enlighten every man who holds false views as to insurance but certainly much can be accomplished in the way of minimizing this lack of intelligence concerning the operation of insurance companies.

The railroads have recognized the desirability of having the public enlightenen regarding many of their transactions and in this city have a press bureau in charge of one of the most brilliant and talented newspaper men of the country, Salason Thompson. Through this bureau and its various ramifications matters of an educational nature are constantly going out pertaining to the railroad companies with a view of having the public take a more liberal view regarding the relationship of the railroads to the citizens of the country. This bureau is not conducted by a railroad man who knows nothing about the newspaper business but it is managed by a practical newspaper man who has been seasoned with experience and is acquainted with newspaper work from top to bottom.

In my opinion, a similar bureau should be conducted by the fire insurance companies. The time has arrived when the companies should attempt to dispel the antagonism against them. Life is too short for any business to be constantly

presenting its angularities to the public. The fight for supremacy is a long one and in my judgment the insurance companies have conducted their contest along incorrect lines.

Fighting the public is not the way to win its graces. The public must be educated and enlightened. A publicity bureau for fire insurance in charge of a newspaper man of proper experience and attainments will be able to accomplish much. Through the medium of the companies, special agents, inspection bureaus, adjusters, local agents and other factors that enter into your work he will be able to keep in touch with the situation in various states and when the public can be reached through the newspapers he will be on the ground. He will be in a position to create a demand for the matter he will furnish because it will be of public interest.

We have had examples recently where insurance companies have decreased rates. The public has not heard of it. If they had increased rates the action would have received wide publicity. The idea of the publicity bureau, therefore, is to take advantage of all opportunities afforded to get information along educational lines furnished to the public. The manager of the publicity bureau should be on the ground in any large city where an important movement is in progress. He should be in touch with the newspaper men and enlighten them as to what the companies' plans are to co-operate with the public.

There are a thousand different ways in which the publicity bureau can reach the public through the medium of newspapers. Again, the publicity bureau should furnish the various companies for the use of their agents literature to be distributed to policyholders, telling the value of fire insurance and its necessity to credit and the various features concerning its transactions. Thus it is possible to reach every policyholder through the local agent.

You will find that when local agents have a line of defense, if the public is antagonizing the insurance companies, they will use these arguments to advantage. The trouble with the local agents in this regard is that they are not sufficiently informed themselves to defend the actions of companies. A local agent is not anxious to see his income reduced. If he has a plausible and defensible argument to present to the assured he will employ it. Again, he can have influence with his local newspaper and the publicity bureau can operate through him.

Such a bureau could be conducted by the companies at a comparatively low expense. It can readily be seen that if the public mind is disabused of many of its false notions, if prejudice is reduced, it will be a great boon to the companies. I have but touched the surface in making this suggestion, merely desiring to leave with you a thought that I believe if carried out will redound to the benefit of your business.

ESTABLISHING A WAIVER.

Important Opinion of Supreme Court Involving Fire Policy

In the appeal of the case of Joseph Glaser v. Home Insurance Company, the Supreme Court has handed down an important decision bearing on the question of what constitutes a waiver under the terms of a policy of fire insurance. The opinion written by Justice Scott and concurred in by his associates, is as follows:

An important decision bearing upon the question of what constitutes a waiver under the terms of a policy of fire insurance has just been handed down in the Supreme Court, appellate term, in the appeal of the case of Joseph Glaser vs. Home Insurance Company. The opinion, written by Justice Scott and concurred in by all, is as follows:

"This action has been twice tried and now comes up on appeal for the third time. Upon the first trial the complaint was dismissed on the ground that the plaintiff had not furnished the defendant with the formal proofs of loss provided for in the policy of insurance. It appeared, however, that the plaintiff had served upon defendant an unsigned, informal notice of the fire and of certain items of damage, and that after its receipt the defendant had made an offer of settlement. This court was of opinion that these facts furnished some evidence of a waiver on the part of the defendant of the condition in the policy requiring the furnishing by the assured of formal proofs of loss, and that the question whether or not there had been such a waiver should have been submitted to the jury (90 N. Y. Supp., 426). On the second appeal a judgment in favor of the defendant was again reversed on the question of damages (93 N. Y. Supp., 524). Upon the present appeal from a judgment for plaintiff the de-

fendant presents certain considerations not heretofore presented upon either of the former appeals, and not dealt with in either of the previous opinions. It is argued that the plaintiff has not pleaded a waiver of the condition of the policy with which it is conceded he did not comply. It is well settled that in suing upon a policy of insurance the plaintiff must either allege that he has complied with all the conditions of the policy, or, if he desires to plead a waiver by the company of any condition with which he has not complied, he must allege the condition claimed to have been waived and the facts and circumstances constituting such a waiver. It is not sufficient to allege generally that a particular condition has been waived, but such facts must be stated as will, if taken to be true, be sufficient to establish the waiver (Todd v. Union Casualty Co., 70 App. Div., 53).

"The policy sued upon in the present action was in what is known as the standard form, and among other things required the insured, within sixty days after the fire, to render to the company formal proofs of loss, signed and sworn to. This, as is conceded, the plaintiff did not do. In his complaint he seeks to plead a waiver of this condition as follows: 'That the plaintiff duly fulfilled all the conditions of said agreement on his part, and more than sixty days before the commencement of this action, to-wit: On or before the 2d of October, 1903, served on the defendant as the proof of loss a complete inventory of the property destroyed and injured, with the quantity and cost of each article and the amount claimed thereon, and the same has been retained by the defendant without objection, and that the defendant has required no further or other proofs of loss to be furnished.' It is apparent that the only fact alleged to establish a waiver is that the defendant retained the inventory without objection and has required no further or other proofs of loss to be furnished, and it is argued that this fact alone, taking it to be true, does not establish a waiver, and consequently that no waiver has been properly pleaded. This contention seems to be well founded. Mere silence or inaction on the part of an insurance company cannot be taken as a waiver of a condition requiring formal proofs of loss to be sustained, and in neither of the previous decisions in this court in this case has it been held to be sufficient. It was the silence of the company, coupled with an offer of settlement, which was held to furnish some proofs of a waiver, and in this conjunction the offer of settlement, which is not pleaded is quite as important a factor as the silence which is pleaded.

"The defendant certainly could not be held to have waived the condition as to the furnishing of a formal proof of loss by retaining the informal notice and omitting to notify the plaintiff that the notice was not proof, and would not be accepted as such. In fact, the paper did not purport to be more than a notice (O'Reilly v. Guardian Mut. Life Ins. Co., 60 N. Y., 169; Titus v. Glens Falls Ins. Co., 81 N. Y., 410). In order, therefore, to successfully plead the waiver of the condition as to furnishing proofs of loss it was incumbent upon the plaintiff to plead not only the silence of the company as to the insufficiency of the paper which was served, but also some other fact which, coupled with the silence, would have justified a finding of waiver. This he failed to do, and consequently he failed to sufficiently plead the waiver. There is still another objection which is fatal to the judgment in plaintiff's favor. It was necessary not only to plead but to prove facts establishing a waiver. The other fact relied upon in addition to the defendant's silence is that after the receipt of the informal proof of loss the defendant repeatedly made an offer to pay a certain sum in settlement of the loss. It now appears for the first time that the offer thus made was at once and unqualifiedly rejected by the assured.

"There was nothing in the way of negotiations looking to an agreement upon a sum, but the offer and immediate rejection of a definite sum. The reason why negotiations for the settlement and adjustment of a loss, are under some circumstances deemed sufficient to justify a finding that a condition has been waived is that the assured may have thereby been misled or lulled into sleep and thus have been induced to disregard one of the conditions imposed upon him by his policy (Allen v. Dutchess Co. Mut. Ins. Co., 95 App. Div., 86). As was said by Martin, J., in Gibson El. v. L. & L. & G. Ins. Co. (159 N. Y., 418): 'In the absence of an express waiver, at least some of the elements of an estoppel must exist.' When the insurer does nothing more than to make an offer, which is instantly rejected, even though the offer and rejection be repeated, there is nothing in that circumstance to mislead the insured or to justify him in believing that, if he persists in refusing the offer made him, the company will waive any defense it may have to his claim to a larger payment.

"It consequently seems to be the generally accepted view that an offer to pay, with its rejection by the assured, cannot be accepted as sufficient proof of a waiver of

the condition calling for formal proofs of loss (Allen on Ins. Co., supra; Vance on Insurance, sec. 585; Clement on Insurance, p. 278; Richards v. Continental Ins. Co., 83 Mich., 508; Ins. Co. v. Matthews, 65 Miss., 314; Ins. Co. v. Sorsby, 60 Miss., 313). It follows that the plaintiff neither pleaded nor proved facts establishing a waiver by the defendants. The judgment must consequently be reversed. Judgment reversed and new trial granted, with costs to appellant to abide the event."

Fidelity Applications and Inquiries.

(*Employers' Liability Commentator.*)

Fifteen years or more ago the bond of a surety company was an exception, while a personal bond was almost always exacted, especially from a bank employe. It was not always the security which the bank sought, but the moral effect that the giving of a bond had upon an employe.

When such a bond was given no application or indemnity agreement was filed by the clerk, whereby he acknowledged that the bond had been given and agreed to reimburse in case of loss. Time, to a great extent, modified this custom, the giving of bonds was put upon a business basis and the applicant was required to file his application. In view of the radical change some criticism was made of the many personal questions that were asked in an application. The hardship seemed greater to those who were a little timid as to the result of a thorough investigation of their habits and character.

The indemnity is an important factor, but this is not always essential, as "rights of suretyship" allow a bondsman to recover if perchance any estate is left by a defaulter.

The information on an application is given to allow a company means of investigation and thus ascertain if all the answers have been truthfully made. As soon as an application has been made, then the work of the fidelity company begins. Inquiries must be made of all previous employers and upon the result of these inquiries rests the responsibility of determining for the company the hazard thus assumed. If it is found that nothing has been concealed and no misstatements have been intentionally made, then the inference is that the application is normal. The financial resources and environment must of course be considered with all applications.

Before corporate suretyship was so universal many previous employers objected to making replies on the ground that the company was seeking information which they should obtain elsewhere, but as time has advanced, the effect of failing to reply has become well known and it is on rare occasions that a company fails to obtain the necessary reply. Many business men take exceptions to the several questions propounded and reply in their own way, usually in the form of a letter, but it can generally be determined if such a reply is evasive.

Many applicants bring letters of recommendation covering various employments and many years of their history. Such letters are of little or no value. A letter of recommendation can be clothed in finest English, yet conceal from a fidelity standpoint the vital point. Inquiries sent out by a company are now usually answered most freely and frankly, as an employer appreciates the fact that within a short time he may be applying for a bond on one of his employes and he will desire the same open treatment. It is thus that it becomes a matter of reciprocity.

Inquiries to referees are not considered so important, but still they are quite essential, as in most instances these referees are most intimate friends of an applicant and if they should know anything really detrimental, as a favor to the man they would be inclined to evade the direct questions. However, it is found that these replies from men of standing are valuable, in that in many cases they intimate a doubt which upon further investigation will develop a condition indicating that the risk is more than normal.

The estimate of a risk, therefore, depends not only upon the personal statements given by an applicant, but also upon the inquiries which are the result of the application. The more questions asked in an application, provided they are pertinent, the greater opportunity a company has of corroborating these various statements and thus determining the moral hazard.

Insurance Journals.

Recent developments in the life insurance field have been of great interest to all connected with the great life insurance business. Newspaper accounts of these developments have for the most part been very much garbled. We would recommend that every field man in our ranks keep in close touch with development of affairs in his profession. We suggest in this connection that every field man ought to be a subscriber to one or two of the good reputable insurance journals published in this country.

While we do not always agree with everything that our journalistic friends have to say, still we hold that everyone is entitled to his sincere honest conviction on the subject, and an expression of that conviction if he sees fit. Much can be learned by the field man by keeping in close touch with the trend of affairs through the medium of a good insurance journal.—Conservative News.

National Life's Statement.

As usual, the statement of the National Life Insurance Company, of Montpelier, Vermont, is the first to reach the ADJUSTER for publication and will be found in this issue. So far as new issues are concerned, 1905 was the greatest year in the history of the company, announces Second Vice-President Estee to his agents, and the figures of the statement show that correspondingly satisfactory results have been achieved in every department. Through all the disturbed conditions the National of Vermont emerges clean and prosperous, a great company in that it is ably managed, strong and progressive.

COAST NOTES.

T. E. Jaynes has been appointed city agent of the Pacific Surety Company.

W. W. Old, of Reno, gets the management of the National Life of U. S. A. for Nevada.

The removal by death of W. L. Chalmers lessens by one the familiar figures of twenty-five years ago.

Dr. Moore's new industrial company will begin business with $200,000 capital and $300,000 surplus.

E. S. Valentine succeeds G. W. Phelps as manager for the State Life of Indianapolis in California. Office, Crossley Building.

L. Samuels, an old-time newspaper man and later making life insurance his business, is organizng the Oregon Life Insurance Company.

C. J. Stovel has added the New Brunswick Fire of New Jersey and the Buffalo German to the collection of companies for which he holds the Pacific Coast agency.

The energetic Louis L. Jaynes Company, of which George J. Wellington is a prominent member, has been given the general agency of the Maryland Casualty Company.

The Security Life and Annuity of Philadelphia, has appointed Geo. S. Davis, Jr., general agent for Washington with headquarters at Olympia.

The Continental Life Insurance and Investment Company of Salt Lake City will make San Francisco a policy-writing agency. President Tyree is here arranging details.

The Special Agents' Association of the Pacific Northwest held its third annual meeting in Seattle this year. John W. Gunn was elected president for the ensuing year and Charles R. Thompson vice-president.

The friends of Zeno K. Myers will be glad to hear of his advancement to the secretaryship of the Hawaiian Trust Company, Ltd., of Honolulu, one of the important financial concerns of the islands. Mr. Myers will continue in charge of the firm's insurance department.

The thirtieth annual meeting of the Fire Underwriters Association of the Pacific will be held in the rooms of the Board of Fire Underwriters, 1416 Merchants' Exchange Building, California street, San Francisco, Tuesday and Wednesday, January 9th and 10th.

Mgr. W. L. W. Miller has had the British America of New York added to his office and has taken over the direct management of the British America of Toronto from the Paul Nippert agency. The city agency of this company remains, however, in the Nippert office.

Secretary Frudenfeld of the Queen City Fire Insurance Company has moved the Coast headquarters of his company to rooms 330-331 Merchants' Exchange Building. Mr. Frudenfeld will assume entire control of the Queen City's business in this field, the general agency having been removed from the Nippert Company.

Suits have been filed in the U. S. District Court against the Pacific Mail Steamship Company, arising out of the wreck of the Rio de Janeiro at the entrance of the harbor on February 22, 1901, by the Canton insurance office, asking for $42,212; the U. S. Lloyds, $81,845, and the Manheim Insurance Co., $80,907, for loss paid on cargo insured.

Thos. H. Meek, who for years has acted as cashier for General Agent T. J. A. Tiedemann of the Scottish Union, and National, has resigned to succeed to his father's manufacturing business. If Mr. Meek makes as many friends in his new field as he has in the insurance business his future should be highly successful.

56th ANNUAL STATEMENT

OF THE

NATIONAL LIFE INSURANCE COMPANY

(MUTUAL)

Montpelier, Vermont

JOSEPH A. DE BOER, President.
JAMES T. PHELPS, Vice-President.
JAMES B. ESTEE, 2nd Vice-President.
OSMAN D. CLARK, Secretary.

HARRY M. CUTLER, Treasurer.
A. B. BISBEE, M. D., Medical Director.
CLARENCE E. MOULTON, Actuary.
FRED A. HOWLAND, Counsel.

JANUARY 1, 1906.

CASH INCOME.		DISBURSEMENTS.	
Premiums	$5,434,225.68	Death Claims	$1,339,967.49
Interest and Rents	$1,486,199.29	Dividends and Annuities	363,301.93
Consideration for Annuities	521,241.23	Endowments and Surrender Values	1,125,357.53
		Taxes, Commissions and all other Disbursements	1,587,690.32
		Income Saved	3,025,348.93
TOTAL	$7,441,666.20	TOTAL	$7,441,666.20

ASSETS.		LIABILITIES.	
Bonds	$13,388,241.00	Insurance Reserves	$27,902,848.21
Mortgages, First Liens	13,133,031.05	Annuity Reserves	2,194,310.35
Policy Loans and Premium Notes	4,630,439.57	Extra Reserves	266,432.47
Real Estate, Book Value	939,517.10	Trust Fund Reserves	68,068.76
Cash in Banks and Office	1,144,720.08	Death Claims under Adjustment	69,683.27
Interest and Rents due and Accrued	592,855.37	Liabilities	195,997.47
Deferred and Unreported Premiums	686,732.24	SURPLUS	3,821,752.51
Due from Agents	3,556.63		
TOTAL	$34,519,093.04	TOTAL	$34,519,093.04

THE YEAR 1905 SHOWS:

Increase in Insurance	$ 10,719,350
Increase in Assets	3,120,639
Increase in Income	546,652
Increase in Payments to Policy-holders	398,538
Increase in Surplus	363,676
Insurance Issued	26,318,183
Insurance in Force	145,480,904

C. M. STOLP & SON, General Managers

81-85 Crocker Building **San Francisco Cal.**

THE

HARTFORD

Fire Insurance Company

ORGANIZED 1794

Assets $15,632,483.34

Surplus to Policyholders . . . 4,026,248.67

PALACHE & HEWITT, General Agents

Pacific Department 313 California Street : : : San Francisco

A. GILLILAND, Manager City Department

SPECIAL AGENTS AND ADJUSTERS

P. H. GRIFFITH J. J. DENNIS JOHN M. HOLMES W. O. MORGAN

W. W. GROVE C. E. MILLER GEO. E. DEVINE

"The Leading Fire Insurance Company of America"

Cash Capital

$4,000,000.00



Cash Assets

JANUARY 1, 1905

$16,815,296.87

INCORPORATED 1819

NET SURPLUS$ 7,036,010.93

Surplus as to Policyholders 11,036,010.93

Losses Paid Since Organization (87 Years) ... $102,847,801.66

BOARDMAN & SPENCER, Gen'l Agts.

E. C. Morrison, Supervisor of Agencies.

Louis Mel, W. L. Gazzam, J. A. Murphy } Special Agents and Adjusters.

Office, 514 California St., San Francisco

Casualty Company of America

Capital (cash), $500,000.00 Assets, $1,323,827.17

WRITING LIABILITY, PLATE GLASS
ELEVATOR, STEAM BOILER
HEALTH AND ACCIDENT INSURANCE

Agents Wanted—Apply to

WILLARD O. WAYMAN & CO.

GENERAL AGENTS

Sansome and Sacramento Sts. San Francisco, Cal.

The Columbian National Life Insurance Co.

PERCY PARKER, . . . President
RICHARD M. HOTALING, Vice-President

Pacific Coast Department

524-536 James Flood Bldg.....San Francisco, California

WALKER and MacCOLL, Managers

What is the use...

OF SAYING

"the best company," or
"the strongest company," or
"the largest company?"

THEY ALL SAY THESE THINGS.
WE SAY SIMPLY

The Penn Mutual Life Insurance Company

OF PHILADELPHIA
Organized 1847

THAT TELLS THE WHOLE STORY!

E. H. HART, General Agent
Claus Spreckels (Call) Building
SAN FRANCISCO, CAL.

Pacific Coast Casualty Company

OF CALIFORNIA

HEAD OFFICE
Merchants Exchange Bldg., San Francisco, Cal.

Employers' Liability, Teams, General Liability, Workmen's Collective Vessels, Elevator, Burglary, Plate Glass Insurance

Paid up Capital - $200,000
Assets - - - - - 453,164

E. F. GREEN.....President
JOHN C. COLEMAN.....Vice-President
F. A. ZANE.....Secretary
ANT. BOREL & CO.....Treasurer

DIRECTORS

Antoine Borel, F. P. Deering, George A. Pope, Henry E. Bothin, E. F. Green, Henry Rosenfeld, Edward L. Brayton, I. W. Hellman, Jr., Adolph A. Son, John C. Coleman, William S. Tevis.

MARSHAL A. FRANK COMPANY, Gen. Agents for California

214-216 Kohl Building
San Francisco California

You Must Progress If You Would Succeed.

A PROGRESSIVE COMPANY

National Life Insurance Company

OF THE

United States of America

P. M. STARNES, President

Established 1868

Full Paid Capital
One Million Dollars

In five years has gained

In Annual Premium Income	$ 1,331,799
In Assets	2,911,595
In Insurance in force	27,949,110

Progressive Management
Modern Policies



Home Office
National Life Building
Chicago, Illinois

J. L. M. SHETTERLEY, President
A. E. NASH, Treasurer

A. L. REED, Secretary
D. T. McNAUGHTAN, Supt. of Agents

THE

FIDELITY

Mutual Aid Association

SAN FRANCISCO

Life Policy, $5.00; payable but once. Dues, $1.50 per Month

PAYS

Class	Accident	Sickness	Death
D	$40 per Month	$40 per Month	$100.00
E	$30 per Month	$40 per Month	$100.00

PERMANENT TOTAL DISABILITY

$1000

Has been approved and licensed by the Insurance Departments of the following named States:

State of MISSOURI
State of MICHIGAN
State of INDIANA
State of MINNESOTA
State of COLORADO
State of NEVADA
State of PENNSYLVANIA
Territory of ARIZONA
State of NORTH DAKOTA
State of SOUTH DAKOTA
State of CALIFORNIA
State of WASHINGTON
State of WISCONSIN
State of UTAH
District of COLUMBIA

Home Office: 303 California Street, San Francisco, Cal.

Royal Exchange Assurance

OF LONDON, ENGLAND

Incorporated A. D. 1720

Fire and Accident Insurance

Cash Capital	$ 3,446,099.45
Surplus to Policyholders .	8,906,090.33
Total Assets	25,211,566.50

LOSSES PAID EXCEED $210,000,000

Austrian Phœnix

INSURANCE COMPANY

OF VIENNA

Cash Capital	$1,200,000.00
Surplus to Policyholders .	1,520,357.76
Total Assets	2,128,821.63

The Concordia Fire

Insurance Company

OF MILWAUKEE

Organized in 1870

Assets . . $1,007,939 Surplus . . $340,504

The Spring Garden

Insurance Company

OF PHILADELPHIA

Organized in 1835

Assets . . $1,505,479 Surplus . . $561,563

PACIFIC DEPARTMENT

501 Montgomery Street *San Francisco, Cal.*

DICKSON & THIEME, Managers

OLDEST PURELY FIRE INSURANCE OFFICE IN THE WORLD

FOUNDED  IN 1710

..Sun Insurance Office..

OF LONDON

Cash Assets, : $11,500,000 | Net Surplus, : $6,640,000

ESTABLISHED 1881

Michigan Fire and Marine

INSURANCE COMPANY

OF DETROIT, MICH.

Cash Capital, - - - - $400,000.00

PACIFIC DEPARTMENT Embraces: California, Nevada, Utah, Arizona, Oregon, Washington, Idaho, Montana, Hawaiian Islands and Alaska.

CARL A. HENRY & CO.

GENERAL AGENTS PACIFIC DEPARTMENT

215 Sansome Street San Francisco, Cal.

TOTAL ASSETS REPRESENTED
over $25,000,000.00

TOTAL LOSSES PAID
over $100,000,000.00



German-American Ins. Co.

OF NEW YORK.

ASSETS - - - $12,980,705
NET SURPLUS - - - $5,841,970

Phœnix Insurance Co.

OF HARTFORD, CONN.



ASSETS - - - $7,341,888
NET SURPLUS - - - - $1,780,591

German Alliance Ins. Co.

OF NEW YORK.

ASSETS - $1,378,968 **NET SURPLUS - $537,856**

New Hampshire Fire Ins. Co.

OF NEW HAMPSHIRE, N. H.

ASSETS - $3,911,743 **NET SURPLUS - $1,199,685**

GEO. H. TYSON, Gen. Agent 142 Sansome Street, S. F.
HERBERT FOLGER, Asst. Genl. Agent

METROPOLITAN
Life Insurance Company

(Incorporated by the State of New York)

ASSETS, OVER - - $128,000,000.00
SURPLUS, OVER - - 14,000,000.00

Issues policies for all approved forms of insurance; adapted to all stations and circumtances of life. Policies are free from restrictions as to travel and residence; are clear, concise business contracts, and conditions are plain and simple and easily understood.

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Wells Fargo Building, Cor. Mission and Second Sts., San Francisco.

HOME OFFICE: NEW YORK CITY

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GEORGE H. GASTON . . Second Vice-President
JAMES S. ROBERTS Secretary
T. R. RICHARDSON . . . Assistant Secretary
JAMES M. CRAIG Actuary
FREDERICK H. ECKER Comptroller
THOS. H. WILLARD, M. D. . Medical Director
W. S. MANNERS, M. D. . . Asst. Med. Director
HALEY FISKE Vice-President
GEO. B. WOODWARD . . Third Vice-President
FRANK O. AYRES . . . Fourth Vice-President
J. J. THOMPSON . Cashier and Asst. Secretary
JOHN R. HEGEMAN JR . . . Asst. Secretary
STEWART L. WOODFORD Counsel
AUGUST S. KNIGHT, M. D. . Medical Director
EUGENE M. HOLDEN, M. D. . Asst. Med. Director

FREDERICK F. TAYLOR, Assistant Secretary.

Security Mutual Life Insurance Company
BINGHAMTON, N. Y.

CHARLES M. TURNER, President

Liberal contracts and good territory can be secured by reputable life underwriters by addressing

C. H. JACKSON, Agency Secretary, Home Office
or GEORGE A. RIDER, Agency Director
Pacific Coast Department — Bacon Block, Oakland, Cal.

PACIFIC DEPARTMENT
Scottish Union
and
NATIONAL INSURANCE CO.
OF EDINBURGH, SCOTLAND

Assets, in United States, $4,581,956.10 Surplus, $2,381,880.36
Total Assets over $45,662,730.65

T. J. A. TIEDEMANN, GEN. AGT., 206 Pine Street, S. F.

—THE—

NORWICH * UNION * FIRE

INSURANCE SOCIETY

OF NORWICH, ENGLAND.

Assets, - - - - - - - $7,086,930.68

Losses Paid, - - - - over $90,000,000.00

* INDEMNITY *

FIRE INSURANCE COMPANY

OF NEW YORK

Cash Capital - - - - - - - $200,000.00

W. H. LOWDEN, Manager,

PACIFIC DEPARTMENT,

314 California Street, - - - - - San Francisco, Cal.

Svea Insurance Co. *of Gothenburg*

American Fire Insurance Co. *of Philadelphia.*

Agricultural Insurance Co. *Watertown, N. Y.*

The Delaware Insurance Co. *of Philadelphia.*

Globe & Rutgers *of New York.*

EDWARD BROWN & SONS

General Agents Pacific Coast Department,

411½ California Street

Total Assets Represented, Over Fourteen and a Half Millions

Established 1850

Connecticut...

FIRE INSURANCE COMPANY, of Hartford

Cash Capital - -	$1,000,000.00
Cash Assets - : -	5,340,136.94
Surplus to Policyholders	2,414,921.16

COLIN M. BOYD,
Agent for San Francisco.

BENJAMIN J. SMITH,
Manager Pacific Department

216 Sansome Street, San Francisco

Home Life Insurance Company

44th YEAR

OF NEW YORK

GEORGE E. IDE, PRESIDENT

ADMITTED ASSETS - - -		$16,606,229.07
DIVIDEND ENDOWMENT FUND - -		1,290,036.00
(Deferred Dividends)		
CONTINGENT FUND -	$ 228,211.31	
NET SURPLUS - -	1,134,104.25	1,362,315.56
INSURANCE IN FORCE - - - -		74,892,289.00

FRANK SPERLING
GENERAL MANAGER
FOR
CALIFORNIA and NEVADA

307-8-9 Parrott Bldg.
San Francisco, Cal.

Union Assurance Society

OF LONDON

Capital	$ 2,250,000.00
Assets	$14,641,236.00

Law Union & Crown Fire Ins. Co.

OF LONDON

Capital	$ 7,500,000.00
Assets	$20,126,035.00

VICTORIA FIRE INSURANCE COMPANY
OF NEW YORK

Catton, Bell & Co., General Agents, 406-410 California St. San Francisco

PACIFIC SURETY COMPANY OF CALIFORNIA

PAID-UP CAPITAL $250,000 CASH ASSETS $412,000

GUARANTEE AND CASUALTY. SURETY ON BONDS.

Bonds of Suretyship issued on behalf of persons holding positions of trust, we also act as surety on Bonds required in Court proceedings.

PLATE GLASS INSURANCE

DIRECTORS { Geo. C. Perkins, H. L. Davis, James Moffit, John W. Phillips, P. E. Bowles, W. H. Crocker, F. P. Deering, J. A. Rey.

WALLACE EVERSON, Pres. JOHN BERMINGHAM, Vice-Pres. A. P. REDDING, Secy.

Head Office 326 Montgomery Street, San Francisco. Correspondence solicited with responsible agents

THE PENNSYLVANIA

FIRE INSURANCE COMPANY of Philadelphia.



Incorporated 1825.

ASSETS,

January 1st, 1905

$6,428,988.51

NET SURPLUS,

January 1st, 1905

$2,585,263.42

One of the OLDEST and STRONGEST Fire Insurance Offices in the United States.

OFFICE PACIFIC COAST DEPARTMENT:

508-510 CALIFORNIA STREET, SAN FRANCISCO.

RUSSELL W. OSBORN, MANAGER.

HOMER A. CRAIG, GENERAL ADJUSTER. CHESTER DEERING, Assistant Manager

SPECIAL AGENTS—S. P. Mesick, V. H. Quitzow, Frank Agnew.

Provident Savings

Life Assurance Society

OF NEW YORK

EDWARD W. SCOTT, President

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Successful Agents and Gentlemen seeking remunerative business connections may apply to the Head Office, or any of the Society's General Agents

CARL C. GROSS

General Manager for California

CLAUS SPRECKELS BUILDING,

3RD AND MARKET STREETS

SAN FRANCISCO, CAL.

Hamburg-Bremen

FIRE INSURANCE COMPANY

Of Hamburg, Germany Organized 1854

Capital and Accumulations $3,726.181

Assets in the U. S. Jan. 1, 1905 2,008,938.61

Surplus " " " " 403,552.43

Losses Paid in the U. S. over 17,000,000.00

RUDOLPH HEROLD, Jr.

Gen'l Agent Pacific Department

415 California St.

San Francisco

The Fidelity and Casualty Company

OF NEW YORK

Assets,	$ 7,393,680.42
Capital and Surplus,	2,803,482.87
Losses Paid to June 30th, 1905	20,765,989.03

This Company Grants Insurance as Follows:

Bonds of Suretyship for persons in positions of trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly-Wheel, Employers, Public, Teams, Workmens' Collective, Elevator, and General Liability; Personal Accident, Health and Bonded Attorneys' List.

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HENRY CROSSLEY, Asst. Secy.

FRANK E. LAW, Second Assistant Secty.

GEORGE W. ALLEN, Third Assistant Secty.

CHAS. J. BOSWORTH, Genl. Agt. Pac. Coast Dept. **Merchants' Exchange Building**

London Guarantee and Accident Co., Ltd.

OF LONDON, ENGLAND

Surplus to Policy-Holders Over $1,000,000.00

Writes Employers, Teams, Elevator and Public Liability Insurance.

Also,

Workmen's Wholesale Accident, and Individual Accident

EDW. C. LANDIS, General Agent

Office, 416 California Street

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National Life Insurance Company

OF VERMONT

Established in 1850 — Operating in 42 States

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JAS. T. PHELPS, Vice-Pres. A. B. BISBEE, Med. Dir.
JAS. B. ESTEE, 2d Vice-Pres. C. E. MOULTON, Actuary
OSMAN D. CLARK, Secretary F. A. HOWLAND, Counsel

This Company held January 1, 1905, and gained during the past decade:

Assets	**$31,398,453.67**	**Gain 184%**
Surplus	**3,458,075.90**	**Gain 142%**
Ins.	**134,761,554.00**	**Gain 107%**

Sells the Best Most Modern in Life, Term, Endowment and Annuity Insurance.

G. M. STOLP & SON, General Managers
81-85 Crocker Building San Francisco, Cal.

EMPLOYERS' LIABILITY Assurance Corporation, Ltd.

OF LONDON, ENGLAND

HEAD OFFICE FOR U. S.
Employers Liability Building, 33 Broad St., Boston, Mass.

SAMUEL APPLETON
United States Manager

ACCIDENT POLICIES
Of All Kinds at Very Low Rates

Employers' Liability Policies, Indemnifying Employers against claims for Accidents to Employees. Individual Fidelity Bonds and Accident Policies.

CHAS. J. OKELL & CO., Genl. Agts.
401 California St., San Francisco

AUSTIN Fire Insurance Co.

OF AUSTIN, TEXAS

Gross Assets over $600,000
Surplus to Policy-holders - - - $500,000

PACIFIC COAST DEPARTMENT
208 SANSOME STREET
SAN FRANCISCO, CAL.

C. G. YATES
GENERAL AGENT

The Metropolitan Plate Glass and Casualty Insurance Company of New York

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874. THE OLDEST NEW YORK COMPANY IN ITS LINE

ASSETS, JANUARY 1, 1905 - - - $652,231.59
SURPLUS TO POLICY HOLDERS - - 402,810.23

PLATE GLASS, HEALTH PERSONAL ACCIDENT **POLICIES** OF THE MOST APPROVED FORM

EUGENE H. WINSLOW, President
DANIEL D. WHITNEY, Vice-President
S. WM. BURTON, Secretary
ALONZO G. BROOKS, Asst. Secretary

MANN & WILSON
Gen'l Agents for Pacific Coast, San Francisco, Ca

Reliable and Energetic Agents Wanted

Atlas Assurance Company

OF LONDON, ENGLAND

Assets, over = = = = $11,000,000.00

PACIFIC COAST BRANCH:

Nos. 309-311 Sansome Street, San Francisco, Cal

FRANK J. DEVLIN, - Manager

T. H. PALAGHE, Ass't Manager

☞Agents Wanted in California, Oregon, Washington

The Queen City Fire Insurance Company

OF SIOUX FALLS, SOUTH DAKOTA

Cash Capital, $300,000.00

Pacific Department, Rooms 330-331 Merchants Exchange Building San Francisco

LEE S. FRUDENFELT, Sec'y-Manager

Men of Character are attracted to the Agency Force of the Northwestern

Because the Northwestern accepts business only from regular agents of the Company.

Because Northwestern policies command 100 cents on the dollar. Rebating has been prohibited for 10 years.

Northwestern commissions are for Northwestern agents.

BEST RESULTS TO POLICY-HOLDERS.

MOST ATTRACTIVE POLICIES.

ISSUES PARTNERSHIP AND CORPORATION INSURANCE.

For further information or an Agency, address:

H. F. NORRIS,
Superintendent of Agencies.

The
Northwestern
Mutual Life Insurance
Co. of Milwaukee

H. L. PALMER, Pres. J. W. SKINNER, Sec'y

Organized 1857

GROWTH OF COMPANY

Year	Insurance in Force
1865 . .	$ 11,217,155
1885 . .	98,793,982
1905 . .	708,552,287

Business of 1904 largest in history of Company

Purely Mutual and transacts business only in the United States

WE WANT FOR THE

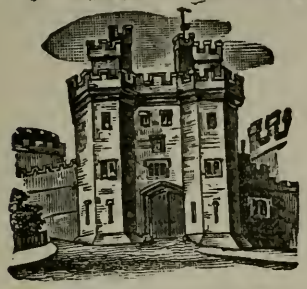
Inter-Mountain and Pacific States

Fifteen first-class field men and managers. Will pay salaries from $100 to $250 per month, and commission in addition thereto. No one need apply without giving satisfactory references.

The Best Selling Proposition In The Market

Address HIRAM TYREE, President,
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SALT LAKE CITY, UTAH.

The Palatine Insurance Company Ltd



FOR FIRE INSURANCE

All losses on the Pacific Coast promptly paid through the Branch Office at Alliance Building, 416-418 California Street, San Francisco, Cal.

C. F. MULLINS, Manager.

E. F. NIEBLING, Assistant Mgr.

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LIBERAL CONTRACTS

The Manhattan Life Insurance Company has appointed Col. A. A. Green, Jr., Western Superintendent, in charge of the agency work and the development of the states west of the Mississippi, together with Illinois and Wisconsin.

Attractive and Liberal Contracts will be made with live, energetic men who can write a good line of first-class business.

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WESTERN SUPT. OF AGENTS,
DALLAS, TEXAS.

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ADDRESS

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FIRE INSURANCE COMPANY
Of Aix-la-Chapelle, Germany. Organized 1825

Capital	$2,250,000
Assets, over	6,000,000
Surplus to Policyholders	4,000,000

HANOVER
FIRE INSURANCE COMPANY
Of New York. Organized 1852

Capital	$1,000,000
Assets	3,000,000
Surplus to Policyholders	1,400,000

CESAR BERTHEAU, Manager
A. R. GRIM, Assistant Manager
PACIFIC COAST DEPARTMENT
423 California Street, S. F.

C. H. BUNKER, President
A. A. SMITH, Secretary

FRANKLIN H. HEAD, Vice-President
H. G. B. ALEXANDER, 2d V.-P. and Gen'l Mgr.

Continental Casualty Co.

CHICAGO

CAPITAL STOCK - - - $300,000

GOOD CONTRACTS in GOOD TERRITORY to GOOD MEN

WRITES ALL FORMS OF

Personal Accident and Health Insurance

MORE THAN FOUR MILLION DOLLARS

PAID TO POLICYHOLDERS

W. H. BETTS, Resident Manager

MUTUAL SAVINGS BANK BLDG. SAN FRANCISCO, CAL.

The FRANKLIN FIRE

INSURANCE COMPANY
Of Philadelphia
Organized 1829

$3,087,001.53 Assets $1,078,240.32 Surplus

GEORGE F. GRANT, Manager
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218 Sansome Street SAN FRANCISCO

The Standard Life and Accident Ins. Co.

DETROIT, MICH.

D. M. Ferry, President; E. A. Leonard, Secretary; Wm. C. Maybury, Mg. Director.

CASH CAPITAL, $250,000; ASSETS, $1,037,290.73
CLAIMS PAID, over $5,000,000

Writes Personal Accident, Employers' Indemnity, Elevator and all forms of Liability and Accident Insurance. *The best contracts on the market.*

DISTRICT AGENTS.—H. H. Haight, Mills Building, San Francisco; Campbell & Rodgers, Portland, Or.; Bushnell & Conger, Los Angeles, Cal.; F. M. Guion, Seattle, Wash.; J. E. Foster, Spokane, Wash.; Curtis, Carmichael & Brand, Sacramento, Cal.

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602 California Street

SAN FRANCISCO, CALIFORNIA

THE HOME INSURANCE COMPANY

OF NEW YORK

Principal Office, 56 Cedar Street, New York

FIRE, LIGHTNING AND TORNADO INSURANCE

Cash Capital	$3.000,000.00
Reserve Premium Fund	7,412,838.00
Reserve for Unpaid Losses and Other Claims	1,741,632.30
Net Surplus	7,706,976.76
Total Assets	**$19,961,447,06**
Surplus as regards Policyholders,	**$10,706,976.76**

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EMANUEL H. A. CORREA, Vice-Pres.
FREDERIC C. BUSWELL, Vice-Pres.
CLARENCE A. LUDLUM, Asst. Secretary
AREUNAH M. BURTIS, Secretary
WILLIAM H. CHENEY, Secretary
HENRY J. FERRIS, Asst. Secretary

ORGANIZED IN 1853

Losses Paid Since Organization . . $89,000,000.00

THE HOME has a well organized, competent and experienced force of GENERAL and SPECIAL AGENTS resident in the Pacific Coast States, ensuring prompt response to the needs and requirements of its Agents and the insuring public, and IMMEDIATE ATTENTION TO THE ADJUSTMENT AND PAYMENT OF LOSSES.

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THE Preferred - Accident - Ins. Co.

Of New York.

KIMBALL C. ATWOOD,
SECRETARY

Assets, Jan. 1st, 1905	- -	$1,230,874.40
Surplus and reserve	(including capital) for the protection of policyholders	$1,105,542.35
Claims paid,	- - - over	$5,500,000.00

More Insurance in force in California
than any other Accident Company.

The Unlimited Health Policy

$2,500 for loss of Sight of Both Eyes from any disease
$2,500 for Permanent Paralysis of the Entire Body, Both Feet, Both Hands, or Hand and Foot by disease
$25 Weekly Indemnity (limited to fifty-two weeks) for Disability resulting from

ANY DISEASE

SURGEON'S FEES—In case of operation the result of disease, this Policy provides a long list of cash benefits, which are paid in addition to the weekly indemnity,

NO MEDICAL EXAMINATION REQUIRED

PREMIUM	Ages 18 to 50 (inclusive)	$35 per annum
	Ages 51 to 55 "	$45 per annum

A Policy allowing Half Benefits at Half Price
Health Policies are sold only to those who carry Accident Insurance in this Company

. The Best Policies .

The Best Commissions

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Manager Pacific Coast Department

G. C. FARRELL,
Assistant Manager

FREDERIC A. STEARNS, General Agent

GENERAL OFFICES, Mills Building, SAN FRANCISCO

THE London
Assurance Corporation
OF LONDON
Founded 1720

Cash Assets - - $21,000,000.00

WM. J. LANDERS, Manager
F. W. TALLANT, Branch Sec'y
Pacific Coast Branch
205-7 SANSOME ST. San Francisco

NIAGARA
FIRE INSURANCE COMPANY
OF NEW YORK

Cash Assets..... ..$3,700,000.00

WM. J. LANDERS, Manager
F. W. TALLANT, Department Sec'y
Pacific Coast Department
205-7 SANSOME ST. San Francisco

British America Assurance Co.
OF TORONTO
INCORPORATED 1833

Assets in United States - $1,428,610 75

Western Assurance Company
OF TORONTO
INCORPORATED 1851

Assets in United States - $2,360,496 46

The only fire insurance companies that have a special California deposit of $100,000 each, for the exclusive protection of California policyholders.

W. L. W. MILLER, General Agent,
319 California Street, San Francisco.

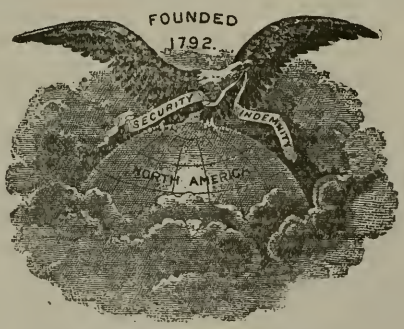
C. J. STOVEL, Marine Agent for Coast for British America
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H. T. LAMEY, Manager Western Department, Denver, Col.

1792 1905
INSURANCE COMPANY OF NORTH AMERICA

CASH CAPITAL
$3,000,000.00

POLICY HOLDER'S SURPLUS
$5,702,738.30



ASSETS, JAN. 1, 1904
$12,007,161.66

NET SURPLUS
$2,702,738.30

OF PHILADELPHIA, PENNA.

Oldest Fire Insurance Company in the United States

LOSSES PAID SINCE ORGANIZATION, $104,168,853.00

JAMES D. BAILEY, Gen'l Agent **202 Pine Street.**

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Offered Intelligent and Reliable Men

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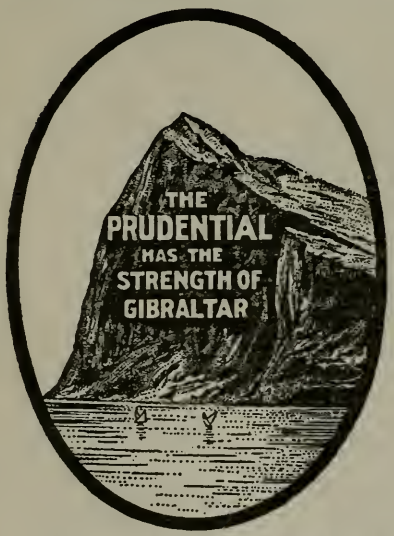
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Superintendent of Domestic Agents

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INSURANCE COMPANY OF AMERICA

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J.

JOHN F. DRYDEN, President

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FAITHFUL

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J. H. CLINKSCALES, Los Angeles
F. W. FOULKES, C. A. COLVIN, } Hayward Building, San Francisco

ASSETS, - $1,620,865.99 | SURPLUS, $725,391.35
ORGANIZED IN THE YEAR 1864
HOME
FIRE AND MARINE
INSURANCE CO.
OF CALIFORNIA.
HOME OFFICE: 409 CALIFORNIA ST. SAN FRANCISCO CAL.

The German Insurance Company of Freeport.

ORGANIZED, 1865

Assets, - -	$ 5,546,127
Net Surplus, - -	1,727,980
Re-Ins. Reserve,	3,405,087
Losses Paid, over	19,943,504

C. H. WARD, Manager Pacific Department
337 PINE STREET, SAN FRANCISCO, CAL.
RELIABLE AGENTS WANTED

INCORPORATED MARCH 27, 1820 ORGANIZED SEPTEMBER 1, 1817

CHARTER PERPETUAL.

Fire Association of Philadelphia

CAPITAL $500,000
ASSETS $7,003,261

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BENJ. T. HERKNESS, Sec'y and Treas. — M. G. GARRIGUES, Asst. Sec'y

CUTTE & FRANK, General Agents
303 California Street, San Francisco, Cal.

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OF AMERICA

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Manager Pacific Coast Department
215-16 Globe Block

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ROYAL

Insurance Company
CASH ASSETS $60,833,963.71

QUEEN

Insurance Company
CASH ASSETS $,627,333.03

LOSSES ADJUSTED AND PAID THROUGH SAN FRANCISCO BRANCH OFFICE

ROLLA V. WATT,

Manager Pacific Coast Department

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COR. PINE AND SANSOME STREETS, SAN FRANCISCO

Assistant Manager,
JNO. T. FOGARTY.

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INSURANCE COMPANY

FIRE MARINE

HOME OFFICE:

Company's Building, Sansome and California Streets

SAN FRANCISCO

CAPITAL - $1,000,000.00
SURPLUS - 2,233,911.58
ASSETS - 6,526,439.82

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BERNARD FAYMONVILLE Vice-President
J. B. LEVISON . . 2d Vice-Pres. and Marine Sec'y
LOUIS WEINMANN Secretary
GEO. H. MENDELL, JR. Asst. Secretary
F. W. LOUGEE Treasurer
ROBERT P. FABJ General Agent

Central Department

MARSHALL & McELHONE, Managers
153-155 La Salle St., Chicago, Ill.

Eastern Department

CHAS. W. KELLOGG, Mgr. A. K. SIMPSON, Asst. Mgr.
Mason Building . . . Boston, Mass.

Southeastern Department

EDGAR S. WILSON, Manager, Macon, Georgia

Atlantic Marine Department

FRANZ HERRMANN, Manager, 79-85 Wall St., New York

56th ANNUAL STATEMENT

(Condensed)

Ætna Life Insurance Company

HARTFORD, CONN.

MORGAN G. BULKELEY, PRESIDENT

The Leading Insurance Company in New England, and the Largest in the World Writing Life, Accident, Liability and Health Insurance.

Assets, January 1, 1906	$ 79,247,504 32
Premium receipts in 1905	13,728,619 61
Interest and other receips in 1905	3,231,850 90
Total receipts in 1905	16,960,470 51
Payments to Policyholders, in 1905	7,766,186 17
Legal Reserve on Policies, and all claims	69,956,781 51
Special Reserve, in addition to Reserve above given	2,215,316 00
Life Insurance issued, revived and paid for in 1905	30,277,698 00
Life Insurance in force January 1, 1906	250,858,315 00
Guarantee Fund in Excess of Requirements by Company's Standard,	**7,075,406.81**
Guarantee Fund in Excess of Legal Requirements,	**9,290,722.81**

PAID POLICYHOLDERS SINCE ORGANIZATION **$153,700,407.33**

Gains in Business during 1905.

Increase in Assets	$ 5,551,325 51
Increase in Guarantee Fund over Requirements	519,766 16
Increase in Premium Income	859,696 84
Increase in Accident Insurance in Force	7,861,854 00
Increase in Life Insurance in Force	13,553,576 00
Increase in Total Income	1,028,913 75

Pacific-Conservative Life Insurance Company

OF CALIFORNIA

WILBER S. TUPPER, President

Leading Companies in California in 1905

New Business Written From Official Reports Exclusive of Industrial Insurance.

COMPANY	AMOUNT	PREMIUM
*PACIFIC-CONSERVATIVE	$10,550,735	$464,139.00
New York Life	6,740,291	276,618.00
Equitable	3,148,930	121,163.00
Northwestern Mutual	3,020,300	109,797.00
Mutual Life	2,800,535	118,064.00
Metropolitan	2,287,911	78,457.00
The Penn Mutual	1,601,830	75,774.00
Mutual Benefit	1,478,550	63,401.00
Aetna	1,429,050	60,284.00
Union Central	1,406,345	36,828.00
State Life	1,276,345	35,878.00
Provident Life and Trust	1,129,665	39,436.00

* Note—Pacific-Conservative paid for basis only.

STATEMENT JANUARY 1, 1906

Insurance in Force	$94,836,637
New Business	33,983,000
Admitted Assets	10,803,293
Income	4,637,746
Surplus	946,362

The One Great Coast Company

SEPARATE ACCIDENT and HEALTH DEPARTMENT

OPPORTUNITIES FOR FIELD MEN

1—Life Department Exclusively. 2—Accident and Health Exclusively.
3—Life, Accident and Health. WRITE FOR AGENCY.

SAN FRANCISCO LOS ANGELES

The Adjuster

VOL: 32. FEBRUARY, 1906 NO. 2.

PUBLISHED MONTHLY BY THE ADJUSTER COMPANY,
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J. A. CAREY, - - - - - Editor

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PAYABLE IN ADVANCE.

San Francisco.

At the risk of harping on a condition which is, to say the least, not new, we revert to the subject of San Francisco—that most important individual prize in our Coast package. Every day is demonstrating anew that the regulations agreed to in 1897 have proved, in their operation, singularly anomalous and unnecessarily expensive.

We now have brokers, able, and naturally willing, to get more commission from city agents than they can legitimately get from the principals of those same city agents. We also have city agents, themselves able to get, and actually (to our own knowledge) getting more commission from the salaried solicitors of their own companies than they themselves get from the latter. We also have general agents placing business of their own (or that of their employes) through salaried solicitors of other offices, in preference to placing it directly with the principals. And there are other curiosities in the museum.

What is the root of all this anomaly? It lies in a very small compass indeed; for if brokers, solicitors and city agencies were all compensated on the same basis, of commission only, the business would seek to find its proper, natural and most direct channels just as surely as water seeks to find its level.

Any salaried arrangement which can possibly be devised as regards premium getters is, in the very nature of things, a form of commission; and any salary which represents a ratio of commission higher than that stipulated in the rules and regulations for those who do not get a salary, is an excess commission pure and simple, and can be used as such without difficulty, and to infinite confusion.

Cut it all out, gentlemen. Drop the fiction in designating one premium getter differently from another, and therein finding an excuse for preferential and discriminating rates of commission. Abolish the foundation of the anomalous structures which have been unsoundly built up.

The expense of the city business is due to the competitive pressure of these same salaries. Every other method of compensation very naturally and very properly seeks to reach the higher level of the salaried system, and when, as in San Francisco, the latter is without any permissive maximum whatever, how is it possible to avoid a most dangerous extravagance? San Francisco business as a whole is now costing at least an average of 30 per cent, even taking into full account the proportion which, for good reason, comes in to the companies at 15 per cent (because it must). Is it not more than time to reduce this average cost at least one-third?

Establish one class for all premium getters. Pay to all one single scale of compensation, and that a commission scale—be it 20 per cent or 25 per cent—or a form of graded commission.

Abolish the anomaly, and reduce the expense. The result will also be a healthier atmosphere in which all may live and have their being.

AND DON'T DELAY.

Valued Policy Laws.

Already are announcements of valued policy laws for several States. The valued policy law looks toward dishonesty and encourages fraud; it is against integrity, against the best interests of both the insurer and the insured and a direct aid to crime.

The object of insurance, from the company's standpoint, is to make whole the insured in case of loss by fire, not to make of the insurance a profitable investment to be realized upon in case of a chance contingency. In other words the company offers to sell indemnity at a certain price and the legislator proposes to compel it to sell something else.

Insurance cannot be called an investment —it is a protection. The moment any other view of the matter is entertained the door is opened wide to all manner of fraud and crime. So well is this truth recognized that, in the business of life insurance, any contract entered into between a life insurance company and an individual, involving in any manner the character of a wager, is frowned upon by the law and absolutely forbidden.

Many a man whose fear of detection alone keeps him from blackest dishonesty, finds in the valued policy law an inducement and means of disposing of his property at a handsome profit. The ingenuity and cunning of such a character joining forces with dishonesty make a combination that no insurance agent would be likely to beat, for not until loss had been paid, and perhaps not at all, would the fraud be suspected, much less proved.

Again, insurance companies never like to figure as defendants in the courts. It is not a good advertisement for a man who is asking business to gain a reputation for disputing claims. There is not a particle of doubt that not one fire company doing business in San Francisco today but has paid many unjust claims, knowing them to be unjust, simply because it was thought better business sense to pay money that was not due than to defend a just cause in the courts. This fact is clearly proved by the large amount of money paid annually in this State by the companies and the infrequency of suits to compel payment of losses.

The Insurance Institute.

There are few lines of mental occupation where greater general calibre is necessary to success than in the business of soliciting life insurance. The agent who succeeds must follow the Biblical injunction and in fact be all things to all men. It is not only necessary that he shall understand the merits of his company and the strong arguments that induce men to sign applications and pay premiums; a glib tongue is not all. The strongest card an agent possesses is true and unfailing politeness. Courteous demeanor coupled with a knowledge of human nature will win success, where greater persistence and stronger arguments will fail.

Courtesy is but another name for tact. A genial appreciation of your man's disposition and a careful, smooth manner of approach, will often secure his attentive ear when lower rates or larger premiums will not catch him. The agent to be successful must not only know men, but their peculiarities and habits must be studied and understood just as the pilot knows the shoals and the deep channels of the streams he navigates, or the geologist understands and recognizes the geological formation of the hills he prospects. Cheek is sometimes an all-important factor in winning results, but it should not be one of the qualifications of the life insurance solicitor. He cannot force an entrance into a man's private office with a crowbar and expect to be met with favor when he gets inside. Politeness makes opportunity, and opportunity in the hands of the competent solicitor means business.

Information Wanted.

Commissioner of Insurance E. Myron Wolf at this writing is in attendance upon the meeting of insurance commissioners back East, but just previous to his departure a number of interrogatories were sent by mail to the different life insurance companies doing business in his bailiwick.

Among the interesting things regarding which Mr. Wolf desires enlightenment are the names of the stockholders of each company and the number of shares owned by each; the names of directors and the length of time for which they were elected; whether the company controls in whole or in part any trust company, bank or other corporation; whether any officer receives any salary or other consideration from any trust company, bank or other corporation or business concern controlled in whole or in part by the company.

A statement, in full, of the principles and methods adopted by the company in declaring dividends to the policyholders is also requested. The replies to this should make interesting reading.

Mr. Wolf would also like to know how the salaries of the officers are fixed, the amount paid to each, and whether the company loans money on collateral securities and if so, on what class of securities.

The replies will probably be all in and awaiting the commissioner's return.

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"Postage and Exchange" Charges.

Manager V. C. Driffield, in his paper read before the last meeting of the Fire Underwriters' Association, touched on a point which, because, perhaps, not regarded as important, has hitherto drawn little attention to itself. It is the excessive postage charge made by a good many agents, in spite of continual protests on the part of their principals. In many cases it becomes nothing less than an excess commission, and therefore carries with it an evil which not only should be, but can be remedied by concerted action.

The rules governing compensation to agents should be extended so as to define a frank maximum charge of so many cents per policy, or a maximum based on some inelastic application of a simple and easily understood rule.

Agents very soon learn to adapt themselves to something of a minor nature *which must be*, provided it is reasonable.

We have understood that a regulation of this kind has been proposed before. It was not adopted, on the ground of its apparently small importance. In this view, we have never concurred.

Who will be the first to propose the necessary amendment?

∴ ∴ ∴

The Insurance Solicitor.

The summary of the operations of our new institute during 1905 shows two things. The first is that the right committee was in charge of its affairs. The second, that the brainy interest shown by the committee was promptly responded to by those for whose benefit the institute was primarily designed.

The latter feature of the case would, however, we believe, not have developed to anything like the same extent had it not been for the former, and therefore the ADJUSTER takes off its hat to Messrs. Herbert Folger, Whitney Palache, Kellam, Mayer, Thornton and Fuller, and congratulates them as a body on the result of their unselfish labors for the good of the fraternity and the credit of San Francisco.

It is very interesting to be confronted with the list of the sub-divisions into which an apparently simple topic can, without the slightest strain, resolve itself. In Mr. Folger's paper we observe already outlined under the heading of "The Policy," ten possible lectures. Under the "Fire Hazard," twelve. Under the "Rate" (or rate-making), eight. It is hardly necessary to refer to the hundred and one topics of direct relation to the profession, not comprised in the preceding list.

But we have a word of advice to offer, in all deference, be it understood, to the plans outlined by this excellent committee.

A vast proportion of the information which will be contained in these institute lectures is gradually acquired and absorbed by clerks and office men day by day, month by month, as they attend to their regular work. They may not be able to "speak to" the subject, but they know it. Therefore, these lectures should, as far as possible, be devoted to special subjects which the looked-for audience cannot be expected to hear so much about in an ordinary way. For instance, the third "suggestion" advanced by the committee, in Course IV, is designated thus:

"Insurance Law, Decisions and Statutory Requirements."

We believe that this subject alone should form the text of the lectures of an entire season; and that a regular course, delivered say by an insurance attorney, retained and engaged for the purpose, would draw a full house for every evening set apart by the institute committee; and that the mental development and incidental information accruing from such a course would be in a way, of as much value as a purely scientific or technical series of insurance lectures as such.

It must be remembered that insurance from nine in the morning until five in the afternoon is apt to lose its vitality at about seven in the evening, though indeed it has time to recover itself by nine o'clock next a. m. Hence our foregoing suggestion.

But, in the midst of it, the ADJUSTER repeats that the insurance institute committee has already done fine and noteworthy work and laid a sound foundation for the work of its successors.

The Metropolitan Life in 1905.

Vice-President Haley Fiske in an announcement to the field force, says that 1905 was the twelfth consecutive year in which the Metropolitan has led the world in amount of insurance written; that it was the largest amount ever written in a single year by a company; that in 1905 the Metropolitan wrote more industrial and more ordinary than in any other single year, that it has in force more than one-third of all the policies of life insurance in standard legal reserve companies in the United States; that 6,000,000 persons, nearly 8 per cent of the entire population, have purchased its policies; that it has declared a larger dividend on non-participating industrial policies, which promised no dividend, than has ever been paid by any company in the world; that its dividends on intermediate policies bring down the cost of insurance approximately to the cost of ordinary policies and on some forms of policies even lower; that the 1905 expense ratio is the lowest in its history—1.6 per cent lower than in 1904, which means a saving of $870,000.

The Metropolitan Life closed 1905 with assets amounting to $151,663,477; its income last year was $61,531,588, its surplus, including capital, $16,181,578, the number of policies in force at the close of last year was $8,596,705. Its outstanding insurance was $1,596,509,769.

These results affect one's mind like the figures of an astronomical problem and yet the big concern operates with the regularity and precision of the universe itself, each part selected for its fitness to the performance of its own specified duty and the whole working like an immense and wonderfully complicated piece of machinery, the like of which the world has never before seen. Parts of this mysterious mechanism may become worn out, disabled or otherwise affected, but there is no stoppage for repairs, the big machine goes on forever doing its work of benefit to the rich and the poor, the strong and the weak.

Future Work of the National Association of Local Fire Insurance Agents.

The following manifesto over the signatures of the president, secretary and chairman of the executive committee of the National Association of Local Fire Insurance Agents, has been issued to the press, with a request that it be published as the platform of the association and announcement of its future work:

No overhead writing, either by agents or companies anywhere. The protection of the agent in the cultivation of the territory for which he is appointed.

Brokerage — The protection of local agents against the unfair competition of outside brokers and companies which assist them. A recognition and equitable division of commission with non-resident brokers who can control insurance on property owned by non-residents.

Agency Representation—The sole agency preferred and urged wherever it is practicable and desired by agents in particular localities. The National Association will

lend its support to any movement in any locality for sole agency representation.

Ownership of Expirations—The National Association stands for the agent's legal and moral right to retain his list of expirations, to be free to solicit the business at expiration on equal terms with other agents and companies, and to transfer the business which he controls by sale to another.

State Legislation—Co-operation between States, through the National Association, in all matters relating to legislation with which fire underwriting interests may be concerned.

Rates—Equal rates to all, applied by a common sense schedule based on classified experience and local conditions. The National Association deplores the attempt of any company or agent in any locality to secure its business by the harsh, unequal and uneconomic method of rate cutting.

Co-operation with the companies on all things which contribute to their protection, to the welfare and improvement of the real underwriting agent and the maintenance of the American Agency System.

Inquiries from Colorado.

The Colorado insurance department has addressed the following inquiries to all companies doing business in Colorado, with the request that the answers be sworn to and returned, if possible, before March 1, 1906, same, when received, to be attached to and filed with the annual statements made to that department:

1. What were the salaries of your officers, directors and trustees for 1905? Show annual salary of each.

2. Have any of these salaries been recently increased or reduced; and if so, when and to what extent?

3. Has any officer, director or trustee of your company been paid, since January 1, 1905, any money or other valuable compensation for any service rendered the company, over and above the salaries stated in reply to question No. 1? If so, please state amounts so paid each officer, director or trustee.

4. Has any officer, director or trustee of your company participated in commissions, interest or other profits of any syndicate or pool formed for the purpose of buying or selling property or securities for your company since January 1, 1905? If so, please give details.

5. Has any officer, director or trustee of your company participated, since January 1, 1905, directly or indirectly, through commissions, interest or otherwise, in the profits of any general or local agency of your company? If so, please give list of such instances, explaining each.

6. Have any funds of the company been loaned to any officer, director, trustee or employe of the company since January 1, 1905, aside from loans on personal policies? If so, please give amounts and interest rate on each loan.

7. Are there any such loans, made prior to January 1, 1905, still outstanding? If so, please give details.

8. Does your company control, by stock ownership, or otherwise, any other insurance company, any bank, or trust, loan or investment company or agency? If so, please give name, nature of business transacted by each, and the amount your company has invested in each.

9. Have any of the expenditures shown in your annual report for 1905 as "Legal Expenses" been used for political purposes, or to influence national or state legislation? If so, how much?

10. Have company funds been used, directly or indirectly, to promote the enactment of state or national legislation favorable to the interests of the policyholders, or to oppose legislation regarded as detrimental to the interest of policyholders?

11. If the answer to No. 10 is "yes," please name amount so expended during the past six years, and say whether or not it is the intention of your company to continue this policy hereafter.

12. Has your company contributed money directly or indirectly to the political campaign funds or expenses of any political party?

13. If the answer to No. 12 is "yes," please name amount so contributed during the past six years, and say if it is the intention of your company to continue this practice.

14. On what date was your company last examined by a State insurance department, and by what State was the examination made?

Fire Association of Phila.

The condition of this company at the close of 1905 is a compliment to the management, long recognized as able and progressive. In the item of unpaid losses there is a decrease of $27,958 below the figures of a year previous. The assets were $7,003,-261, an increase of $465,024; surplus, $1,540,202, an increase of $521,939.

The election of F. B. Kellam, of the Royal and Queen office, to the presidency of the Fire Underwriters' Association of the Pacific gives general satisfaction to the membership.

BACK TALK.

Graded commissions, plus separation?
I guess not.
Graded commissions without separation?
Possibly.

* * *

Ex-President McCall has disposed of his palatial country home at Long Branch, N. J., with all its furniture, it being understood that the sale was made to cancel the trust deeds given by him to the New York Life Insurance Company. The price was between $200,000 and $250,000, and considerably less than the cost. The declarations by Mr. McCall that he was not a wealthy man are borne out by the later developments. He deserves credit for making a straightforward effort to restore whatever it was deemed by the investigation he had unnecessarily and outside of his authority cost the company.—Rough Notes.

Admissions such as the above lift the human soul to such an altitude of refining delight that it is difficult to detach it from the infinite. When all the 200,000 words of testimony before the inquisition have been sifted, segregated and weighed, it will, indeed, be strange if this sacrifice of his personal effects to which the company has no more claim than it has to the hinges of Heaven, entitles John A. McCall to any more credit than many other things he has done. I believe his acts have been those of an honest man, and as I have admired them in the past fullness of his vigor and strength, so I admire them now, when the old man lies broken by the persecution instigated by popular clamor. The same may be said of ex-President McCurdy.

* * *

Sec. 1. All persons, companies or corporations conducting an insurance business within the State of New York, whether under a charter granted by this or any other State, shall be compelled to pay into the State treasury all moneys over 5 per cent of their earning on their capital stocks, these moneys so paid in shall be distributed pro rata under the direction of the State charities to the several charitable institutions of the State.

All persons, companies or corporations operating the business of either life or fire insurance shall pay to any of the insured in either life or fire insurance whose policy may have lapsed over half of the moneys paid by said policyholder.

Assemblyman Hackett, the author of the above freak bill, which he introduces in the New York legislature, seems to have employed his more luminous intelligence as a searchlight to discover in the dim profound of total imbecility, ignorance sufficiently offensive to adorn his political life and mentality. It is, perhaps, a matter of regret that, at an earlier period when he was clearing the ground for the foundation courses of that splendid structure, his legislative fame, he could not have acquired a rudimentary knowledge of the business which he now seeks to regulate in the interest of policyholders. Such familiarity with his subject might have spared him at least the humiliation of their laughter. For it is really very funny, this bill of Mr. Hackett's, especially that portion requiring fire insurance companies to refund one-half of the premiums of lapsed policies. But Assemblyman Hackett is in deadly earnest, as witness the penalties for violation of this act:

"Sec. 2.—Any person or any officer of a company or corporation conducting a life or fire insurance within the State of New York who violates the provisions of Sec. 1 of this act shall be adjudged guilty of a felony and each of said persons and officers of said companies or corporations will be liable to imprisonment of not less than five years in the State prison of the State of New York and a fine of five thousand dollars, or by both such fine and imprisonment.

"And in addition, any person, company or corporation conducting the business of fire or life insurance shall forfeit their charter for the violation of this act."

* * *

The people who know all about insurance, now, are those who never thought of the subject before last week—they come to it without prejudice by any knowledge of it. We cannot pretend to be of this favored class; yet we dare to say that fire underwriting will never get release from irrational and oppressive treatment until the underwriters put it all openly and fully back upon the public. When the effects of this policy are felt by its authors, they will end it. Why wait longer before having the process begin?

This applies quite as forcibly to the life end. The men in charge of companies

owe the fund a duty of defense, and they have on the whole discharged this honestly. But they have made two serious mistakes in doing so; they have not brought the case straight home to the policyholders, and they have too earnestly and too silently wrestled with folly and greed in legislatures. It seems to be clear now that this was Mr. McCall's worst mistake. We do not believe that he could have won immediate success in referring the case back to the policyholders; but in the long run we think he would have achieved better, for himself and for them, by letting some hostile attempts go through and then charging it back, itemized and distinct, in their cost of insurance. He expended from the fund to defend the fund; in return, he was accused of defending "the company," a thing which has no existence. Had it been put in the bill—so much for this and that unjust tax, so much for this bit of stupidity, so much for that piece of malice—the dull policyholder who now accuses what protected him would have been forced to understand.

The lesson seems to be that folly must be allowed to have its day and that the public must learn by meeting the bill. We are not sure but that a year or two of the sort of attack which section 56 of the insurance law prevents would be a wholesome lesson. At least, whatever the public want, or are so silly as to permit, they may as well have; a good rousing pain in the interior is often the kindest teacher, and we incline to think now is the time for it.—Insurance.

Which sets out the cause, effect and remedy of the situation so greatly better than would my own method of relating it that I am constrained to say nothing further.

* * *

Mr. Paul Morton, president of the Equitable, is the magnate in his class with $80,000 per, as against $50,000 each to Messrs. Peabody and Orr. But then, you see, Morton has had six months' experience—and that's a good deal now as life insurance presidents go.—Assurance.

The above is characteristic of Underwood; he always thinks in a large, wide, imperial way, for that is the way he is built. And if Underwood and the policyholders are satisfied surely we may be. If there is any kind of impudent interference in the affairs of others that is more offensive than another kind it is that which meddles with their inclination to be bamboozled.

Which leads to a reflection.

* * *

It is a serious but suggestive fact that no person likes to be thought an ass. Curious, because one is popularly believed to like the sense of superiority to one's fellows which generally accompanies a difference of opinion among gentlemen. And surely no fellow can be so undeniably one's inferior as the fellow who thinks one an ass. Suggestive? Well, it is suggestive because the ass proper is an exceedingly useful animal and can live on thistles and north wind. And this may be the bright particular reason why the policyholders of the big fellows manifest so little interest in the remuneration and accomplishments of those reformers who have been appointed, by God knows whom, to the performance of a task of which they are as grotesquely ignorant as is a blacksmith of watchmaking.

* * *

It is a good time to get after the real thing, straight life insurance, stock or mutual. And let nobody fail to note that this is the day of the company that has been lying fallow for half a dozen years, because of competition.—Insurance.

Is competition the word? Perhaps, although it rings fair. At any rate the good old days (for slick agents) when an increase of business meant the payment of extravagant commissions, big bonuses and large advances to win solicitors from other companies, seem to have been lost somewhere in the shuffle and no one honestly disposed will regret them. It is, truly, a good time to get after the real thing.

* * *

One day, not long ago, I was chatting with a prominent local agent in a near-by city, when he received a telephone call. After listening attentively for a few moments with an amused smile on his face, the agent said:

"You say to him that I say to sew a patch on it. If he is in earnest, tell him to come in and see me some day when he is in town."

In explanation, the agent said that a lit-

tle boy playing with matches had burned a hole in a policyholder's evening coat, and he had consulted a suburban agent of the company regarding filing a claim.—Innett in the Standard.

The above proves that there is afforded, to some prominent local agents, by an attempt to ignore a forty or fifty dollar claim, much more amusement than could possibly be gleaned from the collection of a two or three dollar premium. It probably never ocurred to this agent that he, himself, was very much in earnest when demanding payment for the promised indemnity in case of loss occurring to his client. O, these cute agents, they are so funny, and the public is so ridiculous!

* * *

Messrs. Lakey of Insurance and Dawson of the Chronicle, who have an animated difference of opinion regarding their individual and journalistic indispensableness, might spare themselves the exertion and forego the gratification of affirming one another's excellence, for that is a proposition engaging, in this particular field, unanimous consent. Both are notable writers and too entertaining, in their respective ways to have their brilliance thus wasted upon one another. I cannot repress the flame of a consuming curiosity to know what enemy of Dawson's first tempted him to tread on Lakey's coat-tail.

* * *

The Insurance Field is amazed to learn that "while the Armstrong committee was groaning over graft it was neglecting its own sacred trust and permitting graft to grow right up under the eyes of its own members. Not even the astute Counsel Hughes seems to have known how to protect his clients against graft during his spasms of moral indignation over the graft that others suffered from. It is well known that the committee declined one offer to have the investigation stenographically reported for about $2500 and gave the job to its own selection at a cost estimated at between $10,000 and $15,000. Now it appears that the printing company, to which the printing was awarded, has farmed out the contract and the actual printers are holding back the official copies for the committee while offering complete sets of the reports to private buyers at $150 per set. Meantime the official reporters are offering belated copies at $50. It is estimated that the official sets sold for $150 cost the printers about $4."

The State ought to have been protected in all these opportunities of graft, says the Field, just as the life insurance companies ought to have been protected. But the Armstrong committee, so fierce in its denunciation of others, was doing the very same thing. It is always easy to point out the mote in your brother's eye, but sometimes not even microscopes can reveal the beam in your own—until it is too late. Senator Armstrong and Counsel Hughes ought to get together and have themselves investigated for betrayal of the sacred trust reposed in them by the defenceless taxpayers of New York.

* * *

The world "certainly do move." It was not so long ago that the Back Talk man took to the woods with the blank applications of the only accident insurance company in the United States, the Travelers, tucked away in his inside pocket in search of lumbermen and surface miners, to whom were sold policies entitling them to $5 weekly indemnity for a premium of $37.50 per annum. And these policies were without trimmings, if we except some few dozen conditions modestly appearing in small print upon their backs. In those days we knew nothing about "Peerless Policies," "Duplex Policies," "Conditionless Contracts," "Combination Policies"—they were plain promises to pay, subject to the conditions, of course, and if a man while peaceably engaged in hacking down a tree inadvertently hacked off a thumb and became disabled thereby, he was given his five dollars per week, "provided" he went to bed and stayed decently therein until a new thumb grew on or the wound healed. There were other kinds of insurance companies in those days; fire, life, marine, steam boiler and plate glass. Today, "Innitt" of the Standard calls attention to one Providence, R. I., firm which is prepared to furnish over forty different kinds of insurance. Then, as now, the agent complained that the business was greatly overdone; then, as now, complaint was made of dual agencies, overhead writing, excessive rates, rebating, twisting and

wild-catting, only the Travelers, serene and alone, having the field to itself. In those old days an agent occupied himself in explaining what his contract meant, not in proving it to be better than some other fellow's. Ah! what a field was that to work in and how lazy many of us must have been not to have acquired a competency.

* * *

Well, what are the new commanders in the life insurance companies going to do, sit on what there is? Who built up this tremendous insurance structure that everybody agrees is as solid as the pyramids? The wicked men who are now out of the companies. Do the new people expect to build up anything? According to the present programme, no. Their efforts are to be devoted to cutting down and trimming, and showing how extravagant the men were who made life insurance so successful. The new managers have been put in charge of tremendous engines. They are not going to light fires in the boilers because they are afraid of explosions and besides would have to burn coal. In a little while the boilers will be out of date and the machinery fit for the second-hand shop.—C. J. Smith in the Vigilant.

I fear my contemporary has been led into an unintentional impertinence by venturing to criticise these fifty and eighty thousand per annum men who have been selected for the performance of feats of which he, as an insurance man, can be expected to know little. Their ways are the ways of mystery, they are not as man's ways, and I am satisfied that in efforts at comprehension the merely human understanding must continue to grasp but empty air.

* * *

The pen is mightier than the sword. It makes the Sun move. Recognizing this, Carl A. Henry & Co. are sending a specially made pen of the fountain variety to each Pacific Coast agent of "The Oldest in the World." I would say to these Sun insurance agents that the more frequently a fountain pen is used on daily reports the more satisfactory it will work and the faster the Sun will move. I would advise its application daily in this manner.

That the newly fledged Metropolitan Surety Company of New York, which is managed by a boy president, cuts to the bone in its scramble for businesss, is proven by its bid for the bond of City Treasurer Hulbert of Minneapolis. The bond was for $200,000, and the following bids were made:

U. S. Fidelity and Guaranty$1450
American Bonding Company 1400
Aetna Indemnity Company 1350
Illinois Surety Company 1250
Empire State Surety Company 1175
Metropolitan Surety Company 750

We are sorry for the Metropolitan's reinsurers.

The above is printed by the Insurance Index that in a headline inquires: "Is It Cheap and Nasty?" In looking over the list of these cutthroats, I use the term in a literal sense and advisedly, for they are all tarred with the same stick, it is pleasing to miss from the competition such companies as the Fidelity and Casualty, the American Surety Company and the Pacific Surety Company. There is a day of reckoning surely approaching and when the bottom drops out some of these reckless underwriters will envy those conservative companies that have had the forethought to secure a firm clutch on the upper rim.

* * *

What law is going to prevent a man from approaching another already insured and endeavoring to convince him that he is selling the best policies issued; and that the future welfare of the man and his family demands that he supply himself with life insurance in this particular company? It would be difficult to find a charge under which conviction could be secured, but on the other hand a manager desiring nothing but the best type of man among his staff is at liberty to decide that the best interests of the company are conserved by not employing or retaining in its service men who prey upon the business of other companies.—Insurance World.

With all due respect to this learned editor's opinion, which I respect without understanding, I am inclined to the view that there is no very urgent demand for a law that will prevent a man from approaching another already insured with intent to convince him that he is selling the best policies issued, etc., etc. As to "the other

hand," does our contemporary know of a life insurance management that, previous to the recently and extensively advertised criticisms of methods effecting the business management of the three big companies, would have objected to the means employed by any agent capable of placing paid for business upon its books? I ask this in no flippant spirit, but in all seriousness?

* * *

From another source, just now, the literature of imagination is being enriched with as precious a creation as human ingenuity has ever added to our intellectual treasures. This has its inception in the movement to stamp out rebating in which the voices of the rankest offenders are being raised with an appropriately smug and oleaginous holier-than-thouness. Everybody remembers the farcical installment of the late-lamented Reed as referee at a fat salary which he earned by a befitting sacrifice of manhood and self esteem. During his several years' service in this distinguished capacity three cases were referred to him, if I remember rightly. It is said that Grover Cleveland is to be his successor. This gifted statesman whose probity dominates his fellows as some great, white, Alpine peak overlooks the eminences of lesser majesty lifting their snows about its throne, is said to have accepted the job at $12,000 per year. I refuse to believe it, not because indication has ever been given that he is above such graft, but because an acquired sense of propriety should deter him. With the purpose to earnestly preach against the practice of rebating I have always been imperfectly inspired, but it is clear that a cause which engages the approval of such high souls as Grover Cleveland and Gage E. Tarbell cannot be entirely wrong.

These sons of light now at work are no ordinary architects of the airy structure, in proof of which I again quote from Editor Bergstresser:

There is also considerable of a farce in the movement to wipe out rebating. Life insurance solicitors have to live. They will not give away the bread and butter which sustains the family. If the compensation for their labor in the shape of commissions is given away, the company must be supplying some other means of compensation. Rebating comes about principally from expecting a man to do more business than it is possible for him to produce. If a man is capable by persistent, conscientious work to secure business aggregating $100,000 in a given year, and is driven to write $150,000 or $200,000, he must naturally give some away in order to come up to the mark set for him. Of course, we are ready to admit that it is possible to press a man and secure more results out of his labors than would come in a natural way, but even at that we doubt the wisdom of continuous high pressure methods which drive men out of the business. Not infrequently the incentive for the additional business is a bonus on the whole, so that it really pays from a financial standpoint to get the extra $50,000 or $100,000 even if a large part of the agent's commission must be given away. The remedy for the rebate evil, it appears to us, must come by the obliteration of the conditions which produce it.

* * *

The Insurance Index calls attention to Johnson & Higgins of New York, and Willis, Faber & Co. of London, as the two firms most prominent in the proposed scheme to violate American laws and defraud the companies regularly authorized to do business in this country.

I venture to remind these active and much advertised brokers in their pride that they are not the grand and engaging villains that they think themselves, but just plain, ordinary scamps. But if they live not to be caged, every jack rascal of them, there is not in all heaven so much of justice as goes to the killing of a bad smell.

* * *

What has become of Lawson and those proxies, garnered by himself in sufficient numbers to control the three giants? It is not possible that he has entered into an unholy alliance with the capitalistic powers at present directing the interests of those companies. Is it?

R. H. Garrigue, at one time prominently identified with insurance in the Western field, has gone with the C. J. Stovel agency as special agent.

German American
Insurance Company
New York

ANNUAL STATEMENT, JANUARY 1st, 1906

Cash Capital	$ 1,500 000 00
Cash Assets	14,052,520 59
Net Surplus	6,442,674 78
Surplus to Policyholders	7,942,674 78

Phœnix Insurance Company
OF HARTFORD, CONN.

Cash Capital	$ 2,000,000 00
Cash Assets	8,140,630 43
Net Surplus	2,382,270 52
Surplus to Policyholders	4,382,270 52

German Alliance Insurance Company

Cash Capital	$ 400,000 00
Cash Assets	1,485,286 15
Net Surplus	629,131 54
Surplus to Policyholders	1,029,131 54

New Hampshire Fire Insurance Company
OF MANCHESTER

Cash Capital	$1,000,000 00
Cash Assets	4,069,140 67
Net Surplus	1,252,267 06
Surplus to Policyholders	2,252,267 06

PACIFIC DEPARTMENT

GEORGE H. TYSON, General Agent

214 SANSOME ST., SAN FRANCISCO, CAL.

HERBERT FOLGER

Assistant General Agent

SUMMARY of FORTY-THIRD ANNUAL STATEMENT

OF THE

FIREMANS FUND

Insurance Company of California

December 31, 1905

ASSETS

Bonds owned by Company	$3,224,830 00
Stocks owned by Company	1,541,884 00
Loans on Bond and Mortgage	187,850 00
Loans on Collaterals	507,250 00
Cash in Banks and Office	451,063 88
Real Estate, Company's Home Office	300,000 00
Real Estate, Company's Oakland Office	75,000 00
Other Real Estate owned by Company	103,150 00
Premiums in Course of Collection and Marine Premium Notes	838,548 48
All other Assets	2,975 83
	$7,232,552 19

LIABILITIES

Losses in Process of Adjustment	$ 332,401 68
Re-Insurance Reserve	3,031,730 11
All other Claims and Demands	150,275 90
Capital Paid Up in Cash	1,000,000 00
Net Surplus	**2,718,144 50**
	$7,232,552 19

INCOME

Net Premiums—Fire	$3,202,772 46	
—Marine	718,707 58	
Interest, Dividends, Rents, Etc	258,304 88	
		$4,179,784 92

EXPENDITURES

Net Losses Paid—Fire	$1,662,158 47	
—Marine	491,706 75	
		$2,113,865 22
Dividends		120,000 00
Commission and Brokerage		588,948 20
Salaries, Fees, Etc		319,964 94
Taxes—State, National, Local		92,221 83
All Other Expenditures		280,779 35
		$3,515,779 54

COMPARATIVE CONDITION

January 1st	*Assets*	*Re-Ins. Reserve*	*Net Surplus*
1880	$ 741,487 72	$ 244,603 64	$ 153,172 13
1885	1,520,894 77	407,998 68	268,331 90
1890	2,431,717 79	797,618 97	484,438 25
1895	3,240,861 14	1,222,299 42	846,267 81
1900	3,884,381 08	1,316,823 19	1,312,720 64
1905	6,526,439 82	2,875,715 34	2,233,911 58
1906	7,232,552 19	3,031,703 11	2,718,144 50

HOME OFFICE: Company's Building, 401-407 California Street.....San Francisco

OFFICERS

WM. J. DUTTON, President

BERNARD FAYMONVILLE, Vice-Pres.
LOUIS WEINMANN, Sec'y
ROBERT P. FABJ, General Agent
J. B. LEVISON, 2d V.-Pres. and Marine Sec'y
GEO. H. MENDELL, Jr., Asst. Sec'y
F. W. LOUGEE, Treasurer

DIGEST OF INSURANCE CASES

Compiled expressly for THE ADJUSTER

FIRE.

Insurable Interest—The holder of the legal title, subject to the rights of a buyer to acquire title by performance of a contract of sale, has an insurable interest.

Same—Description of Property—Title of Insured—A fire policy provided that it should be void if the interest of the insured was other than unconditional and sole ownership. The policy described the property as the property of the insured. He held the legal title thereto, subject to the rights of a buyer to acquire title by performance of a contract of sale. There were no representations made by insured in procuring the policy, and the application therefor was verbal.

Held—That the policy was valid, as the insurer could not complain of its failure to require a more specific description.

Same—Avoidance of Policy—Fraud—The fraud referred to in a fire policy, stipulating that it shall be void if the insured has concealed or misrepresented any material fact, or in case of any fraud or false swearing touching any matter relating to the insurance, is actual fraud, and requires proof of a fraudulent intent.

Same—Proof of Loss—Where the insured in a fire policy is a non-resident of the State, the proof of loss need not be sworn to by him, as required by the policy, but proof of loss, verified by his agent, is sufficient.—*Brunswick-Balke-Collender Co. v. Northern Assurance,* 105 *N. W.* (*Mich.*) 76.

Waiver—Failure to Insist on Forfeiture—In order to constitute a waiver by the insurer of a provision of the policy, there must be some affirmative act on its part, such as to induce insured to rest on a well-founded belief that strict performance of the condition claimed to be waived will not be insisted upon, and mere neglect to insist upon a forfeiture is of itself insufficient.

Same—Failure to State Objections—Where the secretary and general adjuster of an insurance company went to the residence of insured after the loss, and was there informed by insured's wife that insured had not kept a safe as required by the iron-safe clause of the policy, and that his books and accounts were burned, and, nevertheless, told the wife that proofs of loss must be sent to the company, and thereby induced insured to incur expense or trouble in making out and forwarding the proofs of loss, the breach of the iron-safe clause would be deemed waived, and could not be asserted to defeat a recovery on the policy.—*Rundell & Hough v. Anchor Fire Ins. Co.,* 105 *N. W.* (*Iowa*) 112.

Provision for Additional Insurance—Construction—The phrase, "$1,500 total concurrent insurance permitted, including this policy," indorsed on a fire policy, limits the total amount of insurance to $1,500, and does not allow $1,500 additional insurance.—*Home Ins. Co. v. Marrow,* 39 *S.* (*Ala.*) 587.

Action on Policy—Time of Bringing—Where a fire policy provided that insured should furnish proofs of loss and the certificate of a magistrate or notary to the effect that the loss was honestly sustained, if required, and that the loss should be payable 60 days after satisfactory proofs, and insured furnished proper proofs of loss, and thereafter the certificate was demanded and furnished, insured might maintain an action 60 days after the furnishing of the proofs of loss, although 60 days had not elapsed from the furnishing of the certificate.

Same—Action—Conditions Precedent to Action—Where a fire policy provides that insured may be required to furnish a certificate of a notary or magistrate as to the honesty of the loss, if required, and such certificate is required, the furnishing of it becomes a condition precedent to a right to sue on the policy.—*Egan v. Merchants' Fire Ass'n.,* 12 *Pac.* (*Wash.*) 898.

Insurance—Property Covered—Products of Growing Crop—A policy of insurance on a stock of sugar and molasses "deposited" in the sugar manufactory upon a sugar plantation covers sugar and molasses coming into the sugar house as a result of the manufacture of a crop which was growing when the insurance was ef-

fected, where the risk under the policy was not to attach until a date fixed at more than two months after the date of the policy.

Mortgage—Right of Mortgagee to Insurance on Harvested Crop—The avails of insurance on sugar and molasses coming into the sugar house on a sugar plantation as the result of the manufacture of a crop growing thereon when the insurance was effected inure to the benefit of the mortgagee in a mortgage of the realty and the fruits thereof if the loss occurred after the execution of the mortgage, under the Porto Rico mortgage law of 1880, which subjects to a mortgage of real property the crops growing or harvested when the mortgage falls due, "but not yet removed or warehoused," and the indemnities awarded or due the owner of the realty either for the insurance or for the crops, provided the damage occurred after the creation of the mortgage.

Mortgage—Right of Mortgagee to Sue for Insurance Without Exhausting Other Remedies—The mortgage creditor in a mortgage governed by the civil law may sue for the avails of insurance subject to his mortgage without first exhausting his remedies against other property embraced by the mortgage.

Mortgage—Right of Mortgagee to Sue for Insurance—Effect of Existing Summary Remedy—The existence under the Spanish law of a summary remedy to enforce a mortgage does not prevent the mortgage creditor from suing in the ordinary way for the avails of insurance subject to his mortgage.

Limitation of Actions—Prescription for Personal Actions in Porto Rico—The prescription of twenty years generally applicable to personal actions under the Spanish law prior to the promulgation of the Civil Code is the prior law which, under the provision of that code that a prescription which began to run before its publication shall be governed by the prior laws, must govern an action in Porto Rico for a loss under a policy of insurance occurring before the royal decree of 1889, extending the Civil Code to that island.

Action—Joinder of New Party by Amendment—The joinder by amendment of the assignee of a policy of insurance as a party plaintiff in a suit in Porto Rico by a mortgage creditor of the assured to enforce his rights under the mortgage to the avails of the insurance cannot be deemed a clear abuse of the trial court's discretion, where the assignee's rights are alleged to be subordinate to those of the mortgage creditor, in view of the provision of the Law of Civil Procedure for Cuba and Porto Rico, Art. 156, that "causes of action against several persons, or by several persons against one, arising from the same source of title, or based upon the same cause of action, may be joined and brought in one action."—*Royal Ins. Co. v. Robt. A. Miller,* 26 *Supreme Court,* 46.

Mistake in Policy—Right of Insured to Correct—An insured accepted a policy without noticing a mistake therein in the description of the building in which the property sought to be covered by the policy was located. When the agent of the insurer delivered the policy, he stated that it was all right.

Held—That the insured was not precluded from having the mistake corrected.

Same — Action —Joinder — Legal and Equitable Reformation of Insurance Policy and Action Thereon—One suing on a fire policy which misdescribes the building in which the property insured was located need not, in order to recover, first secure a reformation of the policy; but he may in his petition set up the facts showing the mistake and demand judgment for the loss.

Insurance—Action on Policy—Estoppel—A fire policy showed a contract to insure certain property while in a particular house. The insured claimed that through mistake or fraud the house was misdescribed.

Held—That the insurer was not estopped from disproving the claim and showing that the policy correctly stated the contract.

Same—Acts of Agent of Insurer—Uncommunicated Intentions—The question whether an agent of an insurer assented to the insurance of property while in a particular building must be determined from what he said and did in the negotiations, and not from any uncommunicated intentions.—*Aetna Insurance Co. v. Brannon,* 89 *S. W.* (*Tex. Sup.*) 1057.

Conveyance of Property—Forfeiture—Persons Affected—Rights of Mortgagee Civ. Code, sec. 2541, provides that where a mortgagor effects insurance in his own name, the loss to be payable to the mortgagee, or assigns a policy of insurance to the mortgagee, the insurance is deemed to be upon the interest of the mortgagor, and any act of his which would otherwise avoid the insurance will have the same effect, although the property is in the hands of the mortgagee. Section 1442 provides that a condition involving a forfeiture must be strictly interpreted. Section 1654

provides that in cases of uncertainty in the interpretation of contracts the language of a contract must be interpreted most strongly against the one who caused the uncertainty. A fire policy provided that, unless otherwise provided by agreement indorsed thereon, it should be void if any change should take place in the title of the property, and provided that, if an interest "shall exist in favor of a mortgagee, the conditions hereinbefore contained shall apply in the manner expressed in such provisions and conditions of insurance relating to such interests as shall be written upon, attached or suspended hereto." Subsequent provisions declared that the policy was "subject to the foregoing stipulations and conditions," and that no privilege or permission affecting the insurance should ever be claimed by insured unless written or attached to the policy. After the issuance of a fire policy the premises were mortgaged, and the insurer indorsed on the policy a statement that the loss should be payable to the mortgagee and thereafter the mortgagor sold the premises.

Held—That the mortgagee was entitled to recover for a loss, since by virtue of the mortgage clause the interest of the mortgagee was free from all such conditions, except such as were at the time of the creation of his interest written upon the policy or attached or appended thereto.—*Welch v. British American Assur. Co.*, 82 *Pac.* (*Cal.*) 964.

LIFE.

Mortgages — Covenants—Insurance — A covenant in a security deed that the borrower is "to keep the improvements on said premises insured in company or companies acceptable to [the lender] against loss or damage by fire," in a stated amount, and "also to fully insure all buildings to be erected on the premises [thereby] conveyed, with loss, if any, payable to" the lender, is not a covenant to pay in advance the insurance premiums. If the borrower procures the issuance of insurance policies on his own credit, and delivers them to the lender agreeably to his obligation, the covenant to keep insurance is not broken until the insurance policies are canceled by the insurance company.

Insurance — Policy — Cancellation — Where the policy stipulation was that it could be "canceled at any time by the company by giving five days' notice of such cancellation," and in the "loss payable clause" it was provided that the company reserved the right to "cancel this policy at any time, as provided by its terms, but in such case" the policy should "continue in force for the benefit only of the [lender] for ten days after notice to the [lender] of such cancellation," when it should cease, and that the insurance company should "have the right, on like notice, to cancel this agreement" relatively to the insured, the policy could not be canceled by the insurance company without giving the five days' notice to the insured.

Mortgage—Accelerating Debt—A provision in a security deed for accelerating the maturity of the debt should not be so construed as to work hardship on the borrower, where there has been a bona fide effort on his part to comply with his covenant, and the circumstances are such that his efforts at compliance were apparently acceptable to the lender. In such a case, when there has been no waiver of the covenant by the lender, good faith requires that he should, before undertaking to enforce the provisions of the deed accelerating the maturity of the debt for non-compliance with the terms of the covenant, afford to the borrower a reasonable opportunity to fully meet his obligations thereunder.—*Provident Savings Life Assur. Soc. v. Georgia Industrial Co.*, 52 *S. E.* (*Ga.*) 289.

Change of Beneficiary—Statutory Provision—A New York statute (Laws 1892, p. 2015, c. 690, sec. 211) requiring the consent of the insurance company to a change of beneficiary by insured becomes a part of a New York policy issued while such statute is in force, and is controlling on the subject covered thereby, although the policy is silent concerning the same.

Same—Provisions of Policy—Where an insurance policy provides that no change in beneficiary shall take effect until indorsed on the policy by the company at its home office, a change in the beneficiary cannot be accomplished until the prescribed conditions are fulfilled.

Same—Provisions of Policy—Waiver— The act of an insurance company in furnishing to the insured at a branch office forms of notice to change the beneficiary does not constitute a waiver of a requirement of the policy that the change of beneficiary be made by the company at its home office.

Same—Incomplete Change of Beneficiary—Rights of Parties—Under Laws N. Y. 1892, p. 2015, c. 690, sec. 211, requiring consent of a life insurance company to a change of beneficiary, and under a policy requiring such consent to be indorsed on the policy by the company at its home office, equity will not effect a change of beneficiary attempted to be made

by insured, but not completed in accordance with the statute and policy at the time of his death.

Same—The rights of a benficiary in a life insurance policy become fixed at the death of insured, and are not affected by a contemplated change of beneficiary, which insured had intended to make, but which had not been perfected in accordance with the statute and terms of the policy at the time of his death.

Same—Waiver as Against Beneficiary—An insurance company cannot, after the death of insured and the consequent vesting of the rights of the beneficiary, waive, as against the beneficiary, provisions of the policy relative to change of beneficiary.

Same—The act of an insurance company in filing a bill of interpleader and paying the proceeds of the policy into court cannot be urged by either of the claimants as against the other as a waiver by the company of non-compliance by insured with provisions of the policy for changing the beneficiary.—*Freund et al. v. Freund*, 75 *N. E.* (*Ill.*) 925.

Premium—Consideration—To constitute a consideration for the payment of premiums on a policy of life insurance, it is essential that the insurer incur a liability by a contract which is not affected by any infirmity which it may elect to interpose as a defense to an action on the policy if the life insured should end.

Same—Recovery Back of Premiums Paid—In an action to recover premiums paid to an insurer which has not incurred such risk, the rights of the parties at the beginning of the action should determine the judgment, and the insurer cannot by the averments of its answer effectively waive such defense.—*Metropolitan Life v. Felix*, 75 *N. E.* (*Ohio*) 941.

False Representations—Recovery of Premiums Paid—Where an illiterate woman was induced to take out life insurance by the agent's representations that she could "draw out" her claim at the end of ten years, where in fact the policy as written gave her no such privilege, she could, on discovering that fact, recover the money paid as premiums.

Same — Actions — Instructions—In an action to recover an amount paid as insurance premiums on the ground of false representations which induced plaintiff to take out the policy, a charge to the effect that, if plaintiff paid the premiums after having ascertained that the policy was not what she contracted for, she could not raise the question of fraud unless she paid the premiums under protest, was not erroneous, as not based on the evidence, where there was evidence that when plaintiff first learned that there was something wrong with her policy she endeavored without success to have the matter adjusted, and went from one agent to another in her efforts to obtain satisfaction until her policy was finally canceled.

Same—Damages—The measure of relief for false representations which induced plaintiff to take out a life insurance policy in the belief that she would be entitled to withdraw her claim at the expiration of 10 years, whereas in fact she was not entitled to anything at that time, is the amount of premiums paid by her, with interest.—*Caldwell v. Life Ins. Co. of Virginia*, 52 *S. E.* (*N. C.*) 252.

Premium Notes—Fraud—Evidence.—In an action on a premium note, evidence held insufficient to support a verdict finding that the note had been obtained by fraud. The only testimony in favor of the defendant's contention that the note sued on was obtained by fraud was his own testimony to the effect that the insurance policy, for which he gave the note, was not worded as he had been led to believe it would be. The policy was not introduced to show that he was correct in this statement, and the only evidence tending to show any effort to rescind the contract is the statement of the defendant (which is contradicted by the plaintiff) that, when payment of the note was demanded he told the plaintiff that he was dissatisfied with the policy and would not pay the note. He never offered to surrender the policy, and still retains it.

Held—The verdict of the jury was not supported by the evidence.—*Allen v. Smith*, 39 *S.* (*Ala.*) 615.

Evidence—Mortality Tables—In an action for death, standard mortality tables are admissible to show the probable expectancy of the life of deceased.—*Norfolk v. Spencer's*, 52 *S. E.* (*Va.*) 310.

Assignment of Life Policy—Where a policy was assigned by a son to his father, a contention that said policy, showing upon its face that the son was the person insured, was reassignable and transferable to him by mere delivery without any writing, and when found in the possession of the son after the death of the father will be presumed to have been assigned for a valuable consideration, cannot be sustained as, in the absence of a written assignment, the burden is on the holder to show that he

is a bona fide holder and the manner in which he obtained the policy.—*Cuyler v. Wallace et al.*, 76 *N. E.* (*N. Y. App.*) 1.

Action by Agent—Commissions—An agent of a life insurance company, appointed for the purpose of soliciting insurance from a certain person, resigned after the company has declined the risk applied for and brought an action for commission on a policy subsequently issued to such person on the solicitation of another agent.

Held—That evidence for the defendant that after the resignation of plaintiff he had attempted to obtain a policy for defendant from the same company was admissible as tending to show an abandonment of the contract.—*New York Life v. Rilling*, 76 *N. E.* (*Ill.*) 73.

MARINE.

Marine Policy—Deduction from Loss—The provision in a policy of marine insurance that a deduction of one-third shall be made from a partial loss claim for repairs to the vessel after the first two years from the date of her original custom house survey is in addition to the one by which the insurer undertakes to be responsible for only two-thirds of the loss in the first instance.—*Prov. Wash. Ins. Co. v. Paducah Towing Co.*, 9 *S. W.* (*Ky. App.*) 722.

Fire Underwriters' Association of the Pacific.

In point of attendance the thirtieth annual meeting of the Fire Underwriters of the Pacific was the most noticeable of any in the history of that organization. The papers, too, were carefully prepared and interesting.

President A. W. Thornton made an excellent presiding officer and his opening address was patiently and thoughtfully prepared.

The concluding banquet at the St. Francis reflected great credit upon that popular hostelry, the dinner being excellent. The only possible objection to the arrangements might be embodied in the size of the dining hall, which is of such magnificent proportions as to make it exceedingly difficult for the speakers to be heard throughout its extent.

The officers elected to replace those retiring were: President, F. B. Kellam of the Royal and Queen agency; vice-president, Arthur M. Brown of Edward Brown & Sons; secretary and treasurer, Calvert Meade, fire insurance adjuster. The program of exercises was as follows:

Reports—Calvert Meade, J. L. Fuller, J. P. Moore, W. H. Lowden.

President's Address—A. W. Thornton.

Inspections—Lee McKenzie.

Insurance Institute—Herbert Folger.

Rating Schedules should be Published to Agents, and Items Making up Rates Should Be Attached to Policies Covering Special Hazards and Builders' Risks—Wm. J. Landers.

Manners and Mannerisms—W. A. Sexton.

A Few Suggestions to Washington Adjusters—H. T. Granger.

The Northwest Special—John W. Gunn.

Electrical Inspection for Special Agents—W. E. Hughes.

Manufacturers' Cost of Lumber and Shingles—A Special Agent.

Sugar Refineries—A. R. Gurrey.

Co-operation—Arthur M. Brown.

A Few Suggestions—V. Carus Driffield.

The Conflagration Hazard and Co-insurance—A. W. Whitney.

California Knapsack—Geo. F. Grant and Edward Niles, editors.

Banquet.

The Home Fire and Marine.

Under the direct management of Stephen D. Ives, assisted by as able a corps of officers as ever manned either ship or insurance company, the Home Fire and Marine has grown to proportions that entitle it to sit down with dignity and impressiveness among the big millionaire companies of the world. Another prosperous year like 1905 and its assets will top the $2,000,000 mark.

Its annual statement shows assets, $1,834,676 and net surplus, $515,419. It made substantial gains in both these items and also in its premium account, which footed up for the year $1,159,223, with a loss ratio of under 48 per cent. After paying losses, taxes and expense of running the business, $223,658 went to the credit side of the ledger, to be apportioned to reserves and surplus.

George D. Dornin, veteran fire insurance manager, is 75 years old and his birthday was appropriately remembered by his employes at the Pacific Coast offices of the National and Springfield. He looks and acts every bit as young as he did twenty-five years ago, when the writer assisted in making life burdensome to him by performing as one of his local agents. And his heart is just as big and warm as it was then, too, even if he does turn down our advertising propositions. All wool and a yard wide is George D. Dornin.

NOTES OF THE MONTH.

Fire.

The Sun has absorbed the Patriotic of Ireland.

Mr. F. R. Bigelow, son of President Bigelow of the St. Paul Fire and Marine, of St. Paul, who has been acting as assistant secretary of the company for some time, has been elected its vice-president.

The Southern Fire of New Orleans, Dickson's company, has applied for admission to Michigan.

The surplus, as regards policyholders, of the Home Fire Insurance Company, of New York, is now $11,720,501.

The National Fire and Marine of North Dakota is a new one, capitalized at $100,000. Ex-Gov. Frank White is president.

The new Standard Fire of Connecticut will have headquarters at Hartford. New York, Boston and Hartford men have taken the stock.

The Austin Fire had a great year; the premium receipts were $279,417, upon which there was a loss ratio of but 32 per cent. The annual statement shows the company to be in first class financial shape. All the old officers were elected at the annual meeting.

The German of Freeport begins the present year with $6,148,748 assets, $3,787,402 reserve for reinsurance and a net surplus of $1,952,065. Secretary Gund in a letter to his agents comments as follows: "The past year has been one of unusual prosperity and the fire insurance companies have come in for their full share. Naturally as a result of the generally very favorable underwriting experience the companies are exerting most strenuous efforts to increase the volume of premiums, which, if carried to extremes, might result in serious disturbances. However, we rely on the good sense and intelligence of the local agents, who, in case of trouble, are always the greatest sufferers, to hold the situation level.

Life.

The Capitol Life of Denver will enter Missouri.

John F. Dryden, president of the Prudential, has voluntarily cut down his salary from $65,000 to $30,000.

The Washington Life has withdrawn from Michigan, Wisconsin and Missouri and will probably pull out of other States.

M. D. Feenow has been appointed general field superintendent of the Columbia National Life, with headquarters in Chicago.

W. H. Ducker, who was recently made superintendent of agents for the Pacific Mutual's central field, with headquarters in Chicago, has resigned.

W. B. Mann, Eastern manager of the Pacific Mutual, has accepted an appointment from the Travelers as agency superintendent in New York City.

The Kentucky Legislature has introduced a bill providing for distribution of surplus of mutual companies and forbidding the issuance of deferred dividend policies.

The Standard Life and Accident, of Detroit (C. F. Briggs, superintendent Pacific Coast), last year gained $268,483 in assets; $163,416 in reserves and $105,067 in surplus.

Vice-President Asa S. Wing has been chosen to succeed Samuel R. Shipley, who has resigned as president of the Provident Life and Trust of Philadelphia. Mr. Shipley will continue with the company as a member of the board of directors.

As soon as $100,000 has been subscribed the Southern Insurance Company of Jacksonville, Fla., expects to begin business. A primal weakness in this enterprise is the "authorized capital" of one million. That is a lot of money upon which to pay dividends.

"To John A. McCall, presented by the home office employes as an expression of their sincere affection, respect and confidence," reads the inscription on the loving cup given the retiring president of the New York Life and never was sentiment more sincerely intended.

At the regular annual meeting of the board of directors of the Mutual Reserve Life Insurance Company, Frederick A. Burnham was re-elected president; George D. Eldridge, vice-president; and all the other officers to their respective positions. James W. Boden, Charles W. Camp and W. T. V. Milliken, whose terms as directors expired this year, were all re-elected to the board.

At the annual meeting of the Prudential Insurance Company of Newark, Mr. Forest E. Dryden, the former third vice-president of the corporation, was elected second vice-president, succeeding Mr. Edgar B. Ward, and was in turn replaced as third vice-president by Mr. Jacob E. Ward, hitherto the company's counsel. Mr. Richard V. Lindabury was elected a director of

the Prudential and will succeed Mr. Ward as general counsel.

Casualty.

E. F. Holmes, formerly manager of the Pacific Mutual, has been appointed manager of the Travelers' Accident department in New York City.

Schuyler C. Johnson of the industrial department of the Columbian National Life Insurance Company was, last month, elected a director.

The Continental Casualty Company is now writing industrial disability insurance in Great Britain. James Garner Smith is manager for the United Kingdom.

A bill introduced in the Ohio general assembly aimed at surety companies places the burden of proof upon the company in case it resists payment on the ground that false statements have been made in the application.

The Continental Casualty Company has decided to issue policies to women between ages eighteen and forty-five who are regularly engaged in occupations from which they derive a regular income and upon which they are dependent for support; housekeepers, domestics and commission agents not included.

The Casualty Company of America was remarkably successful last year. The total premium receipts were $1,209,986, an increase over the preceding year of $414,-233, apportioned as follows: Liability premium, $782,324, increase, $273,535; steam boiler $104,089, increase, $55,679; plate glass, $53,112, increase $11,654; personal accident, $270,459, increase, $73,364. The Casualty Company of America now has total assets of $1,597,019, a gain of $364,-919. Its reserve for losses and reinsurance as required by the New York State Insurance Department, and for all expenses, is $887,091, being an increase of $320,484. The surplus to policyholders now stands at $709,927. Willard O. Wayman & Co. are managers for the Coast.

Liverpool & London & Globe Calendar.

The old familiar Liverpool and London and Globe calendar, with its big and little clock faces showing all the world time, has its back edited, as usual, this year by Col. C. Mason Kinne, and, as usual, the subject matter is valuable, interesting and well arranged for ready reference. This data is so compactly put together that an attempt merely to segregate it here would require more space than the colonel has made use of to write down the whole. He who files the Kinne calendars for reference has an encyclopedia of useful information which cannot be duplicated.

The Tyson Agency.

Both on the Coast and throughout their field of operations in the United States the companies represented in this department by George H. Tyson, the German American of New York, the Phoenix of Hartford, German Alliance and New Hampshire, all made wonderfully successful progress during the year just past.

On another page is given a summary of the present financial condition of each as revealed by its annual statement.

The most noticeable advances are by the Phoenix of Hartford and the German American, the former showing an increase in assets of $798,742 and in net surplus of $602,679, while the German American tops even these astonishing figures by an increase in assets of $1,071,815 and a gain in net surplus of $600,767.

Mr. Tyson's loss ratio is again below the average, where he makes a practice of keeping it, being 39 per cent, against a Coast average of 43 per cent. The premium increase for the year of this agency is little short of remarkable, being nearly $70,000, or nearly double that of any other office. The average loss ratio of the Tyson agency for the past fifteen years has been 39 per cent, as against a Coast average of 45 per cent, which must be alike pleasing to Mr. Tyson and the companies represented by him.

The California Insurance Co.

The California Insurance Company, which resumed active operations on the 15th of last June, closed the brief term between that date and the end of 1905 with $453,222 assets and about $150,000 of net surplus. Its income during the period was about $84,000 and expenditures about $40,000. It will surprise no one to see this income increased to half a million during the present year, although the company is being managed by experienced underwriters with extreme conservatism. The officers of the California are M. A. Newell, president; A. D. Cutler, vice-president; George W. Brooks, secretary, and E. W. McCarthy, treasurer. The board of directors are all prominent San Francisco business men.

H. Roy Stovel, manager of the Stovel agency at Seattle, and brother of C. J. Stovel, was married last month to Miss Seal, a San Francisco lady.

INCORPORATED 1864 CAPITAL, $300,000.00

Forty-Second Annual Statement

OF THE

HOME FIRE & MARINE INSURANCE CO.

OF CALIFORNIA

Showing the Financial Standing of the Company
January 1, 1906.

ASSETS

Real Estate owned by Company	$ 353,475 00
Bonds and Stocks owned by Company	984,140 00
Loans on Bond and Mortgage	118,117 00
Interest Due and Accrued	551 15
Cash in Banks and Office	140,754 05
Premiums in Course of Collection	237,638 97
	$1,834,676 17

LIABILITIES

Reinsurance Reserve (Cal. Standard)	$ 900,203 24
Losses in Process of Adjustment	68,513 56
All other Claims	50,540 60
Capital Stock	300,000.00
	$1,319,257 40

INCOME, 1905

Premiums Received	$1,159,222 00
Interest and Rents	67,804 26
	$1,227,027 04

EXPENDITURES, 1905

Net amount Paid for Losses	$ 555,328 06
Dividends to Stockholders	36,000 00
Commissions and Brokerage	211,402 21
Taxes and Fees, State, Municipal, Etc	29,176 69
Supplies, Salaries, and all other Expenses	207,462 59
	$1,039,369 55

COMPARATIVE STATEMENT

YEAR	INCOME	ASSETS	SURPLUS
1901	$ 742,849 57	$1,180,323 86	$647,868 92
1902	983,577 03	1,367,987 42	676,522 53
1903	1,065,257 14	1,504,580 73	711,300 46
1904	1,182,496 38	1,620,865 99	725,391 35
1905	227,027 04	1,834,676 17	815,418 77

FIRST ANNUAL STATEMENT

DECEMBER 31, 1905

ALLIANCE

INSURANCE COMPANY

OF PHILADELPHIA

ASSETS	*Market Value*
Railroad Bonds	$615,325 00
County and Municipal Bonds	404,000 00
Miscellaneous Bonds	89,105 00
Cash in Banks and Office	89,693 72
Premiums in Course of Collection	43,026 58
Marine Premium Notes	1,035 00
TOTAL ASSETS January 1, 1906	$1,242,185 30

LIABILITIES	
Capital Stock	$500,000 00
Reserve for Re-Insurance	220,367 11
Reserve for Losses	45,580 00
All other Liabilties	4,270 50
SURPLUS OVER ALL LIABILITIES	471,967 69
	$1,242,185 30

CHARLES PLATT, President.

EUGENE L. ELLISON, Vice-President.

GREVILLE E. FRYER, Secretary-Treasurer.

PACIFIC DEPARTMENT

California, Oregon, Washington, Montana, Nevada, Idaho, Alaska, Arizona, Utah, British Columbia, Hawaii and Philippines.

A. E. BAILEY . . . Superintendent of Agencies

J. K. HAMILTON, C. O. SCOTT } Special Agents and Adjusters.

202 PINE STREET, SAN FRANCISCO, CAL.

JAMES D. BAILEY, General Agent.

Who Commit Arson?—The Causes of the Crime.

BY HY D. DAVIS.

Those who destroy property criminally by burning are of three classes, the mentally defective, the malicious and the greedy. Of these, the number of defectives will be undiminished until the unfit are no longer permitted to breed, and the number of the passionate will increase in proportion to population until the millennium comes. The number of incendiary fires started by persons greedy for insurance money has been greatly reduced each year since the establishment of the office of fire marshal. The number was in 1901, 292; in 1902, 222; in 1903, 190; in 1904, 168, and in 1905, 96 (November and December estimated).

The idiot starts a fire which results in loss of property, through lack of appreciation of the law of cause and effect and without criminal intent. Therefore, he should be kept in an institution in which he can be constantly under observation. Another defective who burns buildings without sin is the pyromaniac.

Pyromania is a well recognized occasional propensity of the insane, oftenest found among imbeciles, melancholics, dements and paranoiacs. It occasionally occurs in epileptics. These diseases, usually, are chronic, therefore pyromania is, ordinarily, incurable. Just as the kleptomaniac has an irresistible desire to steal, without reference to profit, so the pyromaniac burns from an uncontrollable impulse. He is often apparently normal mentally and in such cases conviction is difficult because of the absence of motive for the crime.

The motives of those convicted during last year were:

To defraud insurance companies.....14
Pyromania 9
Malice or revenge 10
Malicious mischief; boys.....13

THE OWNER'S ALIBI.

The fact that an owner, by any one of a number of methods, can cause a fire to break out in his property at a time at which he is miles away, is known to you all. Descriptions have been printed of the teeter which when the candle set upon one end of it burned low would tip and throw a burning candle into oil-saturated waste; of the lighted candle with a fuse from a bladder of gasoline tied around its base, and of tying one end of a string to a lamp and placing the other end, with meat attached, where a stray dog or cat in the alley might after a time discover it and by pulling it upset the lamp into some inflammable stuff.

A stove or flue may be rendered defective so that the place will be burned soon after a fire is started.

A manufacturer may so lighten a part of a machine that friction will start a fire after he has left the premises.

The owner of a store may in the evening remove the plug in the stovepipe in an upper room and fill it with oiled excelsior which will be fired by sparks and fall out upon the floor soon after an innocent clerk starts the fire next morning, he in the meantime having left the town.

OVER INSURANCE.

Although I have some appreciation of the difficulties under which the companies get business, I am constrained to state the disagreeable fact that it is over-insurance which creates the crimes which created the great need for a fire marshal. Many cases have been brought to my notice in which property in a losing business was insured for several times its value, thereby furnishing so attractive a reward for the crime that men feeble of principle must yield to the temptation to burn. Insurance solicitors as a class at least equal the average business man, but the temptation to increase business, or a too childlike faith in the honesty of their fellow men, leads some agents to write amounts which are in excess of the value of the buildings and to insure the contents of buildings without personal inspection.

Insurance Company of North America.

The old North America made money last year, as usual. Everywhere popular, prosperity under good management by good men comes easy and with little fluctuation. The assets on January 1st of this year are $13,024,882.85; net surplus, $3,626,730.51; policyholders' surplus, $6,626,730.57. Since organization away back in 1792 the Insurance Company of North America has paid out to policyholders for losses the tidy sum of $123,838,099.36. James D. Bailey manages the company's affairs in the Pacific Coast States.

The C. J. Stovel Agency.

The large brick storeroom on the east side of Battery street between California and Pine, having a floor space of 135x43, has been leased by C. J. Stovel and is being fitted up for the accommodation of his numerous companies and their rapidly growing Coast business. By a stroke of good judgment Mr. Stovel became the possessor of the splendid mahogany furnishings of the California Bank building now being demolished to make room for a new structure and these will assist in making the new office one of the handsomest and best

appointed in the country. The purchase included the old bank clock and calendar attachment, which will be given a prominent position on the wall.

This important Pacific Coast agency now includes the American of Boston, Dutchess of New York, Girard of Philadelphia, New York Fire, North River of New York, Nassau of Brooklyn, New Brunswick of New Jersey and Buffalo German of New York.

Sub-departments have been established at Los Angeles, Oakland and Seattle.

New President for the N. L. of the U. S. A.

At the annual election of officers of the National Life Insurance Company of the United States of America, held January 31, at Chicago, Albert M. Johnson, formerly vice-president and treasurer, was elected president, succeeding P. M. Starnes, resigned.

Mr. Robert E. Sackett, for many years the secretary of the company, was elected vice-president. Mr. Charles B. Shedd of Chicago was elected treasurer and Mr. Robert D. Lay of Chicago secretary. Both of the latter gentlemen have been identified with the company for a number of years, Mr. Shedd having held the office of assistant treasurer.

Vice-President Sackett, in alluding to the resignation of Mr. Starnes, which was tendered in December last, but not acted upon until the annual meeting, says that it was accepted with regret by the directors of the company, who fully appreciate his earnest and faithful services and recognize that his ability and personality have been strongly influential in adding to the business and the prestige of the company during his administration.

In his letter of resignation Mr. Starnes says: "Owing to the work and nervous strain attendant upon handling the large and rapidly increasing agency force of the company, I feel that my health has become, during the past two years, considerably impaired, and that if I could be relieved in part or in whole of my duties, and could give my time to such business as would not so wholly engross my time and strength, that I would be in far better health. Owing to this, and to the care and attention which I feel my personal business requires at this time, and which I feel I cannot do full justice to and also continue to give as much time as I have to the company, I would desire, at as early a date as possible, to have the board relieve me of my duties as president and director in the National Life Insurance Company."

The company closed the year showing a substantial gain in assets, insurance and surplus, the admitted assets now amounting to over $6,000,000.

Firemans Fund Insurance Co.

The salient features of the Firemans Fund's forty-third annual statement, showing its financial condition at the close of 1905, are an increase of $706,112 in assets, $484,233 in net surplus and $155,988 in reinsurance reserve.

To sum up: The assets are now $7,232,552; net surplus, $2,718,145; reinsurance reserve, $3,031,703; fire premiums, $3,202,772 for the year and a 51.9 per cent loss ratio.

In the Pacific Coast department, which is managed direct from the home office, the result is a distinct compliment to the ability of the officers in control. Upon a premium income, in this department, of $1,111,399, the company experienced a loss of but 44 per cent.

The officers of the Firemans Fund elected at the recent annual meeting are: Wm. J. Dutton, president; Bernard Faymonville, vice-president; J. B. Levison, second vice-president and marine secretary; Louis Weinmann, secretary; Geo. H. Mendell, Jr., assistant secretary; F. W. Longee, treasurer.

Provident Savings LifeAssurance Society

Hon. Timothy L. Woodruff succeeds Edward W. Scott as president of the Provident Savings. The new president has gained his knowledge of insurance under the tutelage of Mr. Scott, than whom he could have had no better instructor. With Mr. Woodruff at the head of the company and Mr. Scott as chairman of the board of directors, excellent results may be expected. The company is well and favorably known throughout the United States.

The Atlas Building.

The Atlas Assurance Company is now housed, in its Pacific Coast branch, in its own building, situated on the sunny side of Sacramento street, between Sansome and Battery, numbers 416-418.

The property recently purchased in this location has been thoroughly renovated and the result is a handsome two-story brick building about 48 by 50 feet, fitted up in a manner rivaling any similar establishment in the city.

The ground floor of handsome polished oak is apportioned to the office of Manager Frank J. Devlin and Assistant Manager

T. H. Palache on the left, with a private office adjoining in the rear, all the balance being given over to the underwriting department and the large, specially constructed fire-proof vault.

On the second floor are sound-proof rooms, large and substantially furnished, one for the typewriters, another for visiting country agents and another for the convenience of special agents. On this floor the bookkeepers have their desks and a supply room conveniently appointed also takes out a generous square.

The whole is well lighted by a large light well cut through to the ground floor.

The arrangement, including the furnishings, impresses one with an idea of permanence and solidity; it looks what it was intended to be, the business office of an important business concern.

The building will be known as the Atlas Building. The purchase of the realty should prove an excellent investment for the company.

The Metropolitan Plate Glass and Casualty.

It is now a year and a half since President E. H. Winslow of the Metropolitan Plate Glass and Casualty Company ventured his company into the domain of accident insurance. The result shows the wisdom of his action. 1905 was the first full year in that field and $67,000 of premiums were collected, with a loss ratio of a little over 20 per cent. Nearly half a million dollars of premium receipts were collected in the plate glass department and a loss ratio below 55 per cent shows conservative underwriting of a high class.

The Alliance Insurance Company.

The first annual statement of the Alliance Insurance Company of Philadelphia, made December 31, 1905, shows it to be a vigorous youngster with assets of $1,242,185 and a clean surplus over all liabilities of $471,967, to which added the capital stock of $500,000, gives a surplus as regards stockholders of $971,967, just a little short of a million.

For its first year's experience on the Coast the Alliance, under Manager James D. Bailey's direction, wrote nearly three millions of insurance.

Justin C. James, well known as a life insurance worker of the Pacific Coast, has been sent to Chicago as superintendent of the Germania Life's Western agency field, succeeding E. A. Nelson.

The Penn Mutual's Fifty-eighth Year.

Under conditions unfavorable to life insurance in general, at a time when the methods of the business were being investigated and the criticism of the daily press was leveled at all companies vulnerable to attack, the Penn Mutual Life of Philadelphia at the close of the year modestly reports the largest business known to its history.

This means that the people believe in insurance, that they want insurance and that they are beginning to discriminate in their choice of companies. The largest company, the company wth the biggest surplus and the company writing the most business, may be all right, but there are other things to be considered in the selection of a life insurance policy. These other things the Penn Mutual and other companies of its character have always been prepared to furnish and the public is beginning to find it out.

The Penn Mutual has never been much given to the "Hurrah Boys! Whoop-er-up!" style of doing business, and while progressive and liberal in its use of printers' ink, very seldom indulges in self praise.

This year, however, it yields to an inclination to enumerate several dozen questionable methods that it has not been in the habit of making use of, and our advice to those contemplating the purchase of assurance is to write to E. H. Hart, in the Claus Spreckels Building, for one of the circulars in which these things are outlined. There are a lot of good, clean life insurance companies in the United States and the Penn Mutual is one of them.

The Amalgamated.

A brave showing the Pacific Conservative makes in its statement as of January 1, 1905. Ten million and a half of new business written in California during last year, topping the New York Life nearly four millions, the Equitable in the neighborhood of seven millions and the Mutual Life more than eight millions, the others stringing out in its rear like an elongated tail into the dim perspective, with the Washington Life at its extremest tip.

And here is set forth its financial condition: Insurance in force, $94,836,637; admitted assets, $10,803,293; income, $4,637,746; surplus, $946,362.

New business written last year, $33,983,000.

So much for the one great Coast company. Col. Wilbur S. Tupper is at the

head, which means that there will be made an aggressive fight for new business during the present year. This gentleman, however, has announced his intention of being extremely conservative in this respect.

The new arrangement contemplates separate accident and health departments and offers to field men an opportunity to write in the life department exclusively, accident and health department exclusively or life, accident and health.

And agents are wanted. Now is the time to write for territory.

We had expected to be able in this issue to say much of the merger of these two companies and its probable consequence, but repeated inquiry at the home office has elicited no further particulars than those discovered in the company's advertised announcement opposite the editorial page of this number, and at the hour of going to press this is all that is available.

The Security Mutual Life.

Last year was a period of advance for the Security Mutual Life Insurance Company of Binghamton. There were increases all along the line and all on the right side of the ledger. Insurance in force increased $3,966,114, admitted assets increased $568,498, premium income increased $189,978, reserve $502,513. During the year the amount paid in death claims, etc., was $520,813. Total amount paid policyholders and beneficiaries, $3,501,954.

Gasoline More Dangerous Than Gunpowder.

Gunpowder is safe when compared with gasoline. Gunpowder stays where it is put while gasoline will explode and burst a can if warmed and it has a ghost which will hunt for a light to ignite it if the can is open or leaking. And, too, gunpowder exerts less heat and force in exploding than gasoline.

Petroleum yields, from distillation, gasoline 1½ per cent, three napthas 14 per cent, kerosene 50 per cent, paraffin lubricating oils and vasolene. The proportion of gasoline to kerosene being small the new demand for it in large quantities for engines has already increased the price. If this so increases the cost that it will be too expensive for use in cleaning carpets and the like, it will be a disguised blessing.

DANGEROUS BUSINESS.

Using gasoline for cleaning anything in a room in which there is a blaze of any sort is very dangerous, for its gaseous ghost will hunt the flame.

A popular way of burning oneself to death is to use a pan of gasoline for cleaning some article, in a room in which there is a fire or light.

Among the serious accidents in Ohio last year were five from gasoline being poured into the wash-boiler. The gasoline floating over the clothes was converted rapidly into vapor which made the air above the stove an explosive compound.

Every day of the year brought an account of a woman burned to death, while cleaning some article with gasoline, by the gas from it reaching a light or stove.

HY D. DAVIS,
State Fire Marshal.

COAST NOTES.

The Pacific Surety has withdrawn from Pennsylvania.

J. H. Lenehan, Western general agent of the Phenix of Brooklyn, is visiting California.

Have you seen the Dickson and Thieme calendar? It is worth looking at and preserving.

Manager Stovel will enter the New Brunswick and the Buffalo German in all the Coast States.

Vice-President Faymonville of the Firemans Fund is looking after the company's interests in Manila.

General R. H. Magill has taken the local agency of the Home of New York for Oakland and vicinity.

William H. Street is carrying a special agent's card for the C. J. Stovel agency. His specialty will be San Francisco.

The Firemans Fund is now writing automobiles under a liberal policy through its marine department, to include loss by fire.

H. Dalton Harrison of the Catton, Bell Co. was recently the recipient of a handsome silver service from the staff of his office.

E. W. DeMoe, who is connected with the Chicago office of the Continental Casualty Company, was a recent visitor to San Francisco.

George S. Davis, Jr., has been appointed manager of the Security Life and Annuity's Pacific Coast department, with headquarters in the Globe Block, Seattle, Wash.

Arthur L. Foster, the Columbian National Life's recently appointed manager for lower California, has established offices in the Hellman Building, Los Angeles.

H. J. Schaeffer of Seattle, Wash., spec-

ial agent for the British America and Western Assurance companies, has been visiting General Agent W. L. W. Miller.

The business of the Washington Life Insurance Company on the Coast has been effected materially by the disclosures made before the New York investigating committee.

Donald MacColl of Walker & MacColl, Coast managers of the Columbian National Life, was a guest at the company's annual convention and banquet at Boston last month.

The new Pacific Conservative Life will occupy all the space afforded by its home office building on Montgomery and Sacramento streets and has asked all the tenants to vacate.

Fire Chief Sullivan says that fully fifty per cent of the horses used on the machines of the San Francisco fire department are decrepit and that at least 125 should be purchased at once.

Fred P. Newport, who has been with the Conservative Life during the past four years, is to be superintendent of agencies for the Pacific Conservative. He is a young man, full of ginger, popular with the agency force and has the world all before him.

Bruce Kaltz of the firm of McDonell & Kaltz, agents of the Norwich Union at Portland, has retired from the firm and accepted the position of special agent for the same company, to assist Special Agent Giesy in the States of Oregon, Washington and Idaho.

The Atlas and Manchester Assurance Companies, Frank J. Devlin, manager for the Pacific Coast, have removed to the Atlas Building, 416-18-20 Sacramento street, between Sansome and Battery streets, where all of the business of the companies will hereafter be transacted.

The Pacific Underwriter has moved from 320 California street to the Liverpool and London and Globe Building, 422 California street, and the Coast Review will shortly seek new offices, its present location in the Pacific Mutual Building being required by the Pacific Conservative Life.

James Palache, a prominent and pioneer business man of San Francisco, died of heart disease at the home of his son, Whitney Palache, senior member of the firm of Palache & Hewitt, on January 27th. The deceased was 70 years of age and had been prominent in San Francisco business affairs for more than thirty years.

C. J. Stovel has leased the entire ground floor of the old Morton Warehouse on Battery street, between Pine and California. Thus the business of his agency evidently requires or is expected shortly to require over six thousand feet of floor space, a very rapid development of a very well managed group of non-board companies.

Judson C. Brusie has been appointed manager of the Metropolitan Surety Company for its Pacific Coast department, with headquarters at San Francisco. The territory over which he has jurisdiction embraces California, Arizona, Nevada, Idaho, Washington and Oregon. Mr. Brusie has been sent to this coast with instructions to get business.

The usual handsome informal luncheon was spread by the Firemans Fund last month, at which the friends of the company were welcomed by President Dutton, Vice-Presidents Faymonville and Levison, Secretary Weinmann and General Agent Fabj in person. The callers were numerous and met with a hearty reception in true California style.

All the officers and directors of the Underwriters' Fire Patrol were re-elected at the annual meeting last month. They are: John Scott Wilson, president; Bernard Faymonville, vice-president; Rudolph Herold, Jr., secretary and treasurer. Directors: B. Faymonville, L. L. Bromwell, Geo. W. Spencer, V. Carus Driffield, Carl A. Henry, Rudolph Herold, Jr., and John Scott Wilson.

Assistant Manager Niebling of the Commercial Union and Alliance recently gave a banquet to a few business associates who were, in his traveling days, fellow travelers with him. The Bohemian Club dining room would not hold all who could have been present if the invitation had been extended to those who were not fellow travelers, but who claim his friendship and in turn enjoy it.

Deputy Insurance Commissioner Rittenhouse of Colorado has invited criticism by formulating some fourteen questions applying to the management of mutual life insurance companies and sending these queries to all companies, of whatever character, doing business in his State. It is barely possible that fire insurance companies conducted on the stock plan may regard this action of the deputy insurance commissioner as an impertinence.

Bernard A. Auer, for a number of years connected with the accident and liability department of the Aetna Life Insurance Company, has connected himself with Herbert L. Schmitz, brother of Mayor Schmitz and recent secretary of the park commissioners, for the purpose of doing a

general, independent brokerage business. All kinds of insurances will be placed at the office of the firm, 453 Kearny street.

Two suits have been instituted in the United States Circuit Court against the United States Fidelity and Guaranty Company upon surety bonds given by John Morgan & Sons for the performance of mail contracts. One suit is upon a bond for $20,000 for the screen wagon service in Los Angeles, Cal., from July 1, 1902, to June 30, 1903, for $4,995, and the other is on a bond for $3,000 for carrying the mails between Garberville and Kenny, Cal., for September 16, 1902, to June 30, 1906, for $1,540 a year.

Dr. Arthur L. Foster, a well-known insurance solicitor of Los Angeles, has recently been appointed manager for the Columbian National Life Insurance Company at Los Angeles. The offices of this company are located at 605-6 Herman W. Hellman building. Mr. Donald MacColl, a junior member of the firm of Walker & MacColl, managers Pacific Coast department of the Columbian National Life Insurance Company, is now on a visit at the home office of the company in Boston and in attendance at the annual convention and banquet to be held January 19th and 20th.

Manager Bailey of the Insurance Company of North America sends out a handsome leather bound pocket diary. From it we learn that when the "Old North America" was founded, in 1792, George Washington was President of the United States. At that time, not a single State west of the Alleghanies had been admitted to the Union, Ohio being the first, in 1802. Then, the United States possessed no territory beyond the Mississippi River, and the white inhabitants west of the Alleghanies were less than the present population of Spokane, Wash. Then, not a single railroad was in existence in the world, nor a steamboat, and a journey of twelve hours now, then required two or three weeks. Then, not one of the great inventions of modern times—the cotton gin, photography, the sewing machine, vulcanized rubber, the telegraph, the telephone, and electricity as a motive power and for illumination, or the steam engine—had been brought into practical use, if even dreamed of.

The Atlas

and

Manchester

Assurance Companies

HAVE MOVED

to the

ATLAS BUILDING

Nos. 416-18-20 Sacramento St.

Bet. Sansome and Battery Sts.

DUNCAN & REHFISCH

208 Sansome Street, San Francisco, Cal.

Phone Main 1238

GENERAL AGENTS FOR

German Fire Insurance Co.
OF PEORIA, ILL.

AND THE

Federal Union Surety Co.

Issues Fire Insurance and Surety Bonds of all Classes

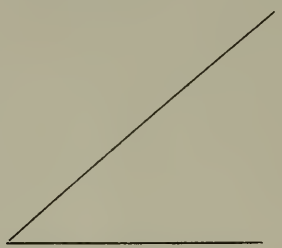
The Travelers Insurance Company

HARTFORD, CONNECTICUT

S. C. DUNHAM, President

Financial Condition, January 1, 1905

ASSETS		RESERVES, AND ALL OTHER LIABILITIES	
Railroad Bonds & Stocks..	$24,865,959 24	Reserve Funds, to protect Policyholders	$42,113,572 42
Loans secured by Mortgages first liens, ...	9,909,991 49	Losses in process of adjustment	341,160 41
Government and other Public Bonds	4,052,602 00	Life Premiums paid in advance	50,388 11
Other Bonds and Stocks..	1,471,575 00	Special Reserve for taxes, rents, etc.	101,100 74
Loans secured by Company's Policies	3,207,626 89		
Cash on hand and in Bank	1,231,835 75		
Bank Stocks	1,122,263 00		
Loans secured by Collateral	868,129 34		
Home Office Real Estate..	477,876 89		
Other Real Estate.....	419,473 14		
Interest accrued but not due	630,847 10		
Deferred Life Premiums...	466,717 29		
Premiums in course of collection on Life Policies..	235,182 27		
Total Assets, . . .	**$48,860,079.40**	**Surplus to Policy-holders, .**	**$6,353,857.72**
		Total Reserves, etc.,	**$48,960,079.40**



RECORD OF 1905

Total Cash income	$13,895,000
Increase in Cash Income	1,355,000
Increase in Assets	4,503,000
Increase in Surplus to Policyholders.....	518,000
New Life Insurance "Paid For".....	20,694,310
Increase in Reserve funds to Protect Policyholders	3,858,000
Paid to Policyholders	5,721,000

RECORD TO END OF 1905

Paid to Policyholders, over	65,000,000
Life Insurance in Force, paid for basis	155,286,000
Number of Accident Policies Issued.....	3,984,000
Number of Accident Claims Paid	451,000

THE

HARTFORD

Fire Insurance Company

ORGANIZED 1794

Assets $15,632,483.34

Surplus to Policyholders 4,026,248.67

PALACHE & HEWITT, General Agents

Pacific Department 313 California Street : : : San Francisco

A. GILLILAND, Manager City Department

SPECIAL AGENTS AND ADJUSTERS

P. H. GRIFFITH J. J. DENNIS JOHN M. HOLMES W. O. MORGAN

W. W. GROVE C. E. MILLER GEO. E. DEVINE

"The Leading Fire Insurance Company of America"

Cash Capital

$4,000,000.00



Cash Assets

JANUARY 1, 1905

$16,815,296.87

INCORPORATED 1819

NET SURPLUS $ 7,036,010.93

Surplus as to Policyholders 11,036,010.93

Losses Paid Since Organization (87 Years) . . . $102,847,801.66

BOARDMAN & SPENCER. Gen'l Agts.

E. C. Morrison, Supervisor of Agencies.

Louis Mel, W. L. Gazzam, J. A. Murphy } Special Agents and Adjusters.

Office, 514 California St., San Francisco

Casualty Company of America

Capital (cash), $500,000.00 Assets, $1,323,827.17

WRITING LIABILITY, PLATE GLASS
ELEVATOR, STEAM BOILER
HEALTH AND ACCIDENT INSURANCE

Agents Wanted—Apply to

WILLARD O. WAYMAN & CO.

GENERAL AGENTS

Sansome and Sacramento Sts. San Francisco, Cal.

The Columbian National Life Insurance Co.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS

PERCY PARKER President
FRANKLIN W. GANSE . . Vice-Pres. and Director of Agencies
FRANCIS P. SEARS . . . Treasurer and Vice-Pres.
WILLIAM H. BROWN Secretary
C. V. FORNES, New York } Vice-Presidents
GEO. H. HOLT, Chicago }
JOHN D. DAVIS, St. Louis }
R. M. HOTALING, San Francisco . . }

Pacific Coast Department

524-536 James Flood Bldg..... San Francisco, California

WALKER and MacCOLL, Managers

Los Angeles Office, 605-6 H. W. Hellman Bldg.

FIFTY-EIGHTH ANNUAL STATEMENT

OF THE

PENN MUTUAL LIFE

Insurance Co. of Philadelphia

Net Assets, Jan. 1, 1905		**$65,866,657 42**
RECEIPTS DURING THE YEAR:		
For premiums and Annuities	$14,200,241 58	
For Interest, etc	3,626,195 06	17,826,436 64
		$83,693,094.06
DISBURSEMENTS:		
Claims by Death	$3,715,608 13	
Matured Endowments and Annuities	1,284,745 04	
Surrender Values	1,319,788 27	
*Premium Abatements	1,019,781 94	
Total Paid Policy Holders	**$7,339,923 38**	
Installment Payments	$ 114,408 00	
Pennsylvania and other state taxes	430,114 69	
Salaries, Medical Fees, Office and Legal Expenses	532,974 26	
Commissions to Agents and Rents	1,929,188 66	
Agency and other Expenses	124,069 74	
Advertising, Printing and Supplies	111,405 71	
Office Furniture, Maintenance of Properties, etc	230,442 11	10,812,526 55
Net Assets, Jan. 1, 1906		**$72,880,567 51**

*In addition to the above abatements the Company allotted to deferred distribution policies $850,688.73, making the total apportionment of surplus during 1905 $1,870,470.67.

Added to Reserve, $6,056,748 00

ASSETS:		
City Loans, Railroad and other Bonds (Market value, $31,524,458.57)		$31,030,111 37
Bank and other Stocks (Market value, $550,093.10)		475,957 19
Mortgages and Ground Rents, 1st Liens (Valuation, $68,943,855)		27,253,091 87
Premium Notes, secured by Policies, etc. (Reserve value, $1,718,300)		1,374,637 58
Policy loans (Reserve value, $8,575,600)		6,860,482 00
Loans on Bonds, Stocks, etc. (Market value, $5,801,323.62)		2,997,130 05
Home Office, Boston Office and other Real Estate		2,568,507 12
Cash on Deposit and in Company's office		320,650 33
Net Ledger Assets		**$72,880,567 51**
Net Deferred and Unreported Premiums		1,925,384 29
Interest Due and Accrued, etc		970,076 70
Market Value of Bonds and Stocks over cost		568,483 11
Gross Assets, January 1, 1906		**$76,344,511 61**
LIABILITIES:		
Reserve at 3, 3½ and 4 per cent. required by law		$65,444,158 00
Outstanding Policy Claims		338,861 74
Surplus on Unreported Policies, etc		480,122 28
Surplus Accumulated upon Deferred Distribution Policies	$5,004,235 58	
Surplus for all other Contingencies	5,077,134 01	
Total Surplus		**10,081,369.59**
Gross Assets as above		**$76,344,511 61**
New Business of the Year, 34,289 Policies for		**$86,719,800 00**
Insurance Outstanding December 31, 1905, 159,224 Policies for		**$377,438,264 00**

HARRY F. WEST, President,
GEORGE K. JOHNSON, Vice President.
LINCOLN K. PASSMORE, 2nd Vice-President,
WILLIAM H. KINGSLEY, Sec'y. and Treas'r.
JESSE J. BARKER, Actuary.

Mutual Reserve Life Insurance Company

OF NEW YORK

FREDERICK A. BURNHAM
President

GEORGE D. ELDRIDGE
Vice-Pres. and Actuary

Mutual Reserve Bldg., 305-307-309 Broadway
NEW YORK

Paid Policyholders and Beneficiaries in Less than Twenty-five Years, More than

$62,300,000

Capable Men, with or without experience, can secure the very best Agency Contracts—Address Agency Department. Industrial Agents, Address Provident Department, Mutual Reserve Building, 305, 307, 309 Broadway, New York.

Royal Exchange Assurance

OF LONDON, ENGLAND

Incorporated A. D. 1720

Fire and Accident Insurance

Cash Capital	$ 3,446,099.45
Surplus to Policyholders .	8,906,090.33
Total Assets	25,211,566.50

LOSSES PAID EXCEED $210,000,000

Austrian Phœnix

INSURANCE COMPANY

OF VIENNA

Cash Capital	$1,200,000.00
Surplus to Policyholders .	1,520,357.76
Total Assets	2,128,821.63

The Concordia Fire

Insurance Company

OF MILWAUKEE

Organized in 1870

Assets . . $1,007,939 Surplus . . $340,504

The Spring Garden

Insurance Company

OF PHILADELPHIA

Organized in 1835

Assets . . $1,505,479 Surplus . . $561,563

PACIFIC DEPARTMENT

501 Montgomery Street *San Francisco, Cal.*

DICKSON & THIEME, Managers

ARMENIA INSURANCE COMPANY

OF PITTSBURGH

Southern Insurance Company

OF NEW ORLEANS

ROBERT DICKSON, PRESIDENT

80 WILLIAMS STREET, NEW YORK

FURTHER PARTICULARS NEXT MONTH

What is the use...

OF SAYING

"the best company," or
"the strongest company," or
"the largest company?"

THEY ALL SAY THESE THINGS.
WE SAY SIMPLY

The Penn Mutual Life Insurance Company

OF PHILADELPHIA
Organized 1847

THAT TELLS THE WHOLE STORY!

E. H. HART, General Agent
Claus Spreckels (Call) Building
SAN FRANCISCO, CAL.

Pacific Coast Casualty Company

OF CALIFORNIA

HEAD OFFICE
Merchants Exchange Bldg., San Francisco, Cal.

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Burglary, Plate Glass Insurance

Paid up Capital - $200,000
Assets - - - - - 453,164

E. F. GREEN.....President
JOHN C. COLEMAN.....Vice-President
F. A. ZANE.....Secretary
ANT. BOREL & CO.....Treasurer

DIRECTORS

Antoine Borel, F. P. Deering, George A. Pope, Henry E. Bothin, E. F. Green, Henry Rosenfeld, Edward L. Brayton, I. W. Hellman, Jr., Adolph A. Son, John C. Coleman, William S. Tevis.

MARSHAL A. FRANK COMPANY, Gen. Agents for California
214-216 Kohl Building
San Francisco California

You Must Progress If You Would Succeed.

A PROGRESSIVE COMPANY

National Life Insurance Company

OF THE

United States of America

P. M. STARNES, President

Established 1868



Full Paid Capital
One Million Dollars

In five years has gained

In Annual Premium Income	$ 1,331,799
In Assets	2,911,595
In Insurance in force.....	27,949,110

Progressive Management
Modern Policies

Home Office
National Life Building
Chicago, Illinois

OLDEST PURELY FIRE INSURANCE OFFICE IN THE WORLD

FOUNDED  IN 1710

..Sun Insurance Office..

OF LONDON

Cash Assets, : $11,500,000 | Net Surplus, : $6,640,000

ESTABLISHED 1881

Michigan Fire and Marine

INSURANCE COMPANY

OF DETROIT, MICH.

Cash Capital, - - - - $400,000.00

PACIFIC DEPARTMENT Embraces: California, Nevada, Utah, Arizona, Oregon, Washington, Idaho, Montana, Hawaiian Islands and Alaska.

CARL A. HENRY & CO.

GENERAL AGENTS PACIFIC DEPARTMENT

215 Sansome Street San Francisco, Cal.

TOTAL ASSETS REPRESENTED
over $25,000,000.00

TOTAL LOSSES PAID
over $100,000,000.00



German-American Ins. Co.

OF NEW YORK.

ASSETS - - - $14,052,520.59
NET SURPLUS - - - $6,442,674.78

Phœnix Insurance Co.

OF HARTFORD, CONN.



ASSETS - - - $8,140,630.43
NET SURPLUS - - - - $2,382,270.52

German Alliance Ins. Co.

OF NEW YORK.

ASSETS - $1,485,286.15 NET SURPLUS - $629,131.54

New Hampshire Fire Ins. Co.

OF NEW HAMPSHIRE, N. H.

ASSETS - $4,069,140.67 NET SURPLUS - $1,252,267.06

GEO. H. TYSON, Gen. Agent 214 Sansome Street, S. F.
HERBERT FOLGER, Asst. Genl. Agent

Metropolitan Life Insurance Company

(Incorporated by the State of New York)

ASSETS, OVER - - $151,000,000.00
SURPLUS, OVER - - 16,000,000.00

Issued during 1895 more new business in the State of California than during 1904, and more than any other Company transactiug business in this State. Made a larger gain in force of premium paying business during 1905 than any other Company operating in California.

PACIFIC COAST HEAD OFFICE:
Wells Fargo Building, Cor. Mission and Second Sts., San Francisco.

HOME OFFICE: NEW YORK CITY

OFFICERS:

JOHN R. HEGEMAN President	HALEY FISKE Vice-President
GEORGE H. GASTON . . Second Vice-President	GEO. B. WOODWARD . . Third Vice-President
JAMES S. ROBERTS Secretary	FRANK O. AYRES . . . Fourth Vice-President
T. R. RICHARDSON . . . Assistant Secretary	J. J. THOMPSON . Cashier and Asst. Secretary
JAMES M. CRAIG Actuary	JOHN R. HEGEMAN JR Asst. Secretary
FREDERICK H. ECKER Comptroller	STEWART L. WOODFORD Counsel
THOS. H. WILLARD, M. D. . Medical Director	AUGUST S. KNIGHT, M. D. . Medical Director
W. S. MANNERS, M. D. . . Asst. Med. Director	EUGENE M. HOLDEN, M. D. . Asst. Med. Director

FREDERICK F. TAYLOR, Assistant Secretary.

Security Mutual Life Insurance Company

BINGHAMTON, N. Y.

CHARLES M. TURNER, President

Liberal contracts and good territory can be secured by reputable life underwriters by addressing

C. H. JACKSON, Agency Secretary, Home Office
or GEORGE A. RIDER, Agency Director
Pacific Coast Department — Bacon Block, Oakland, Cal.

PACIFIC DEPARTMENT

Scottish Union

and

NATIONAL INSURANCE CO.

OF EDINBURGH, SCOTLAND

Assets, in United States, $4,581,956.10 Surplus, $2,381,880.36
Total Assets over $45,662,730.65

T. J. A. TIEDEMANN, GEN. AGT., 206 Pine Street, S. F.

—THE—

NORWICH * UNION * FIRE

INSURANCE SOCIETY

OF NORWICH, ENGLAND.

Assets, - - - - - - - $7,086,930.68

Losses Paid, - - - - over $90,000,000.00

INDEMNITY

FIRE INSURANCE COMPANY

OF NEW YORK

Cash Capital - - - - - - - $200,000.00

W. H. LOWDEN, Manager,

PACIFIC DEPARTMENT,

314 California Street, - - - - - San Francisco, Cal.

Svea Insurance Co. *of Gothenburg*

American Fire Insurance Co. *of Philadelphia.*

Agricultural Insurance Co. *Watertown, N. Y.*

The Delaware Insurance Co. *of Philadelphia.*

Globe & Rutgers *of New York.*

EDWARD BROWN & SONS

General Agents Pacific Coast Department,

411½ California Street

Total Assets Represented, Over Fourteen and a Half Millions

Established 1850

Connecticut...

FIRE INSURANCE COMPANY, of Hartford

Cash Capital - -	$1,000,000.00
Cash Assets - : -	5,340,136.94
Surplus to Policyholders	2,414,921.16

COLIN M. BOYD,
Agent for San Francisco.

BENJAMIN J. SMITH,
Manager Pacific Department

216 Sansome Street, San Francisco

1860 46th Year 1906

HOME LIFE INSURANCE COMPANY
OF NEW YORK

GEORGE E. IDE, President

ASSETS, $17,886,594.88 LIABILITIES, $16,457,194.41
(Including Dividend-Endowment Fund)

Dividend-Endowment Fund, (Deferred Dividends) .	$1,453,907.00
Contingent Fund, ...	225,000.00
Net Surplus, ...	1,204,400.47
Insurance in Force, ...	79,775,340.00

The Home Life supplied one of the marvels of the present investigation—an insurance company without any obvious scandals. N. Y. Tribune, 12-12-05.
Mr. Hughes' inquisition was not less searching than before, but the officers of the Home Life Insurance Company apparently survived it unscathed. N. Y. Herald, 12-12-05.

Detailed Statement furnished upon request.

FRANK SPERLING
GENERAL MANAGER
FOR
CALIFORNIA and NEVADA
—
307-8-9 Parrott Bldg.
San Francisco, Cal.

Union Assurance Society
OF LONDON

Capital	$ 2,250,000.00
Assets	$14,641,236.00

Law Union & Crown Fire Ins. Co.
OF LONDON

Capital	$ 7,500,000.00
Assets	$20,126,035.00

VICTORIA FIRE INSURANCE COMPANY
OF NEW YORK

Catton, Bell & Co., General Agents, 406-410 California St. San Francisco

PACIFIC SURETY COMPANY OF CALIFORNIA

PAID-UP CAPITAL $250,000 CASH ASSETS $412,000

GUARANTEE AND CASUALTY. SURETY ON BONDS.

Bonds of Suretyship issued on behalf of persons holding positions of trust, we also act as surety on Bonds required in Court proceedings.

PLATE GLASS INSURANCE

DIRECTORS { Geo. C. Perkins, H. L. Davis, James Moffit, John W. Phillips, P. E. Bowles, W. H. Crocker, F. P. Deering, J. A. Rey.

WALLACE EVERSON, Pres. JOHN BERMINGHAM, Vice-Pres. A. P. REDDING, Secy.

Head Office 326 Montgomery Street, San Francisco. Correspondence solicited with responsible agents

THE PENNSYLVANIA

FIRE INSURANCE COMPANY of Philadelphia.



Incorporated 1825.

ASSETS,
January 1st, 1905
$6,428,988.51

NET SURPLUS,
January 1st, 1905
$2,585,263.42

One of the OLDEST and STRONGEST Fire Insurance Offices in the United States.

OFFICE PACIFIC COAST DEPARTMENT:

508-510 CALIFORNIA STREET, SAN FRANCISCO.

RUSSELL W. OSBORN, MANAGER.

HOMER A. CRAIG, GENERAL ADJUSTER. CHESTER DEERING, Assistant Manager

SPECIAL AGENTS—S. P. Mesick, V. H. Quitzow, Frank Agnew.

Provident Savings

Life Assurance Society

OF NEW YORK

EDWARD W. SCOTT, President

The Best Company for Policy Holders and Agents.

Successful Agents and Gentlemen seeking remunerative business connections may apply to the Head Office, or any of the Society's General Agents

CARL C. GROSS

General Manager for California

CLAUS SPRECKELS BUILDING,

3RD AND MARKET STREETS

SAN FRANCISCO, CAL.

Hamburg-Bremen

FIRE INSURANCE COMPANY

Of Hamburg, Germany Organized 1854

Capital and Accumulations $3,726.181

Assets in the U. S. Jan. 1, 1905	2,008,938 61
Surplus " " " "	403,552.43
Losses Paid in the U. S. over	17,000,000.00

RUDOLPH HEROLD, Jr.

Gen'l Agent Pacific Department

415 California St.

San Francisco

The Fidelity and Casualty Company

OF NEW YORK

Assets,	$ 7,393,680.42
Capital and Surplus,	2,803,482.87
Losses Paid to June 30th, 1905	20,765,989.03

This Company Grants Insurance as Follows:

Bonds of Suretyship for persons in positions of trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly-Wheel, Employers, Public, Teams, Workmens' Collective, Elevator, and General Liability; Personal Accident, Health and Bonded Attorneys' List.

OFFICERS

GEO. F. SEWARD, President — ROBT. J. HILLAS, Vice-Pres. and Secy.

HENRY CROSSLEY, Asst. Secy.

FRANK E. LAW, Second Assistant Secty.

GEORGE W. ALLEN, Third Assistant Secty.

CHAS. J. BOSWORTH, Genl. Agt. Pac. Coast Dept. **Merchants' Exchange Building**

London Guarantee and Accident Co., Ltd.

OF LONDON, ENGLAND

Surplus to Policy-Holders Over $1,000,000.00

Writes Employers, Teams, Elevator and Public Liability Insurance.

Also,

Workmen's Wholesale Accident, and Individual Accident

EDW. C. LANDIS, General Agent

Office, 416 California Street

SAN FRANCISCO

National Life Insurance Company

OF VERMONT

Established in 1850 **Operating in 44 States**

JOSEPH A. DE BOER, Pres. — H. M. CUTLER, Treas.
JAS. T. PHELPS, Vice-Pres. — A. B. BISBEE, Med. Dir.
JAS. B. ESTEE, 2d Vice-Pres. — C. E. MOULTON, Actuary
OSMAN D. CLARK, Sec'y — F. A. HOWLAND, Counsel

This Company held January 1, 1906, and gained during the past decade:

ASSETS,	$34,519,093.04	Gain, 184%
SURPLUS,	3,821,762.61	Gain, 165%
INSURANCE,	145,480,904.00	Gain, 109%

Sells the Best and Most Modern in Life, Term, Endowment and Annuity Insurance.

G. M. STOLP & SON, General Managers
81-85 Crocker Building, San Francisco, Cal.

A. D. WALKER, General Manager
620-621 Bailey Building, Seattle, Washington

EMPLOYERS' LIABILITY Assurance Corporation, Ltd.

OF LONDON, ENGLAND

HEAD OFFICE FOR U. S
Employers Liability Building, 33 Broad St., Boston, Mass.

SAMUEL APPLETON
United States Manager

ACCIDENT POLICIES
Of All Kinds at Very Low Rates

Employers' Liability Policies, Indemnifying Employers against claims for Accidents to Employees. Individual Fidelity Bonds and Accident Policies.

CHAS. J. OKELL & CO., Genl. Agts.
401 California St., San Francisco

AUSTIN Fire Insurance Co.

OF AUSTIN, TEXAS

Gross Assets over $600,000
Surplus to Policy-holders - - - $500,000

PACIFIC COAST DEPARTMENT
208 SANSOME STREET
SAN FRANCISCO, CAL.

C. G. YATES
GENERAL AGENT

The Metropolitan Plate Glass and Casualty Insurance Company of New York

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874. THE OLDEST NEW YORK COMPANY IN ITS LINE

ASSETS, JANUARY 1, 1905 - - - $652,231.59
SURPLUS TO POLICY HOLDERS - - 402,810.23

PLATE GLASS, HEALTH PERSONAL ACCIDENT **POLICIES** OF THE MOST APPROVED FORM

EUGENE H. WINSLOW, President
DANIEL D. WHITNEY, Vice-President
S. WM. BURTON, Secretary
ALONZO G. BROOKS, Asst. Secretary

MANN & WILSON
Gen'l Agents for Pacific Coast, San Francisco, Ca

Reliable and Energetic Agents Wanted



ATLAS ASSURANCE COMPANY
(LIMITED)
of London, England

Manchester Assurance Co.

Pacific Coast Branch, Atlas Building
416-418 Sacramento St., San Francisco

FRANK J. DEVLIN, Manager
T. H. PALACHE, Assistant Manager

SPECIAL AGENTS AND ADJUSTERS:

Wm. Manning E. R. Thompson C. B. Dinsmore H. R. Jackson

☞ Agents Wanted in California, Oregon, Washington

The Queen City Fire Insurance Company

OF SIOUX FALLS, SOUTH DAKOTA

Cash Capital, $300,000.00

Pacific Department, Rooms 330-331 Merchants Exchange Building
San Francisco

LEE S. FRUDENFELT, Sec'y-Manager

Men of Character are attracted to the Agency Force of the Northwestern

Because the Northwestern accepts business only from regular agents of the Company.

Because Northwestern policies command 100 cents on the dollar. Rebating has been prohibited for 10 years.

Northwestern commissions are for Northwestern agents.

BEST RESULTS TO POLICY-HOLDERS.

MOST ATTRACTIVE POLICIES.

ISSUES PARTNERSHIP AND CORPORATION INSURANCE.

For further information or an Agency, address:

H. F. NORRIS,
Superintendent of Agencies.

The
Northwestern
Mutual Life Insurance
Co. of Milwaukee

H. L. PALMER, Pres. J. W. SKINNER, Sec'y

Organized 1857

GROWTH OF COMPANY

Year	Insurance in Force
1865 . .	$ 11,217,155
1885 . .	98,793,982
1905 . .	708,552,287

Business of 1904 largest in history of Company

Purely Mutual and transacts busiuess only in the United States

WE WANT FOR THE

Inter-Mountain and Pacific States

Fifteen first-class field men and managers. Will pay salaries from $100 to $250 per month, and commission in addition thereto. No one need apply without giving satisfactory references.

The Best Selling Proposition In The Market

Address HIRAM TYREE, President,
CONTINENTAL LIFE INSURANCE & INVESTMENT CO.,
SALT LAKE CITY, UTAH.

The Palatine
INSURANCE COMPANY Ltd.



FOR FIRE INSURANCE

All losses on the Pacific Coast promptly paid through the Branch Office at Alliance Building, 416-418 California Street, San Francisco, Cal.

C. F. MULLINS, Manager.
E. F. NIEBLING, Assistant Mgr.

ATTRACTIVE TERRITORY
LIBERAL CONTRACTS

The Manhattan Life Insurance Company has appointed Col. A. A. Green, Jr., Western Superintendent, in charge of the agency work and the development of the states west of the Mississippi, together with Illinois and Wisconsin.

Attractive and Liberal Contracts will be made with live, energetic men who can write a good line of first-class business.

Address A. A. GREEN, Jr.,
WESTERN SUPT. OF AGENTS,
DALLAS, TEXAS.

Agency Positions

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FIRE INSURANCE COMPANY
Of Aix-la-Chapelle, Germany. Organized 1825

Capital	$2,250,000
Assets, over	6,000,000
Surplus to Policyholders	4,000,000

HANOVER
FIRE INSURANCE COMPANY
Of New York. Organized 1852

Capital	$1,000,000
Assets	3,000,000
Surplus to Policyholders	1,400,000

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WRITES ALL FORMS OF

Personal Accident and Health Insurance

MORE THAN FOUR MILLION DOLLARS

PAID TO POLICYHOLDERS

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INSURANCE COMPANY
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Organized 1829

$3,087,001.53 Assets **$1,078,240.32 Surplus**

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The Standard Life and Accident Ins. Co.

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D. M. Ferry, President; E. A. Leonard, Secretary; Wm. C. Maybury, Mg. Director.

CASH CAPITAL, $250,000; ASSETS, $2,370,950.98

CLAIMS PAID, over $8,757,529.57

Writes Personal Accident, Employers' Indemnity, Elevator and all forms of Liability and Accident Insurance. *The best contracts on the market.*

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OF NEW YORK

Principal Office, 56 Cedar Street, New York

FIRE, LIGHTNING AND TORNADO INSURANCE

Cash Capital	$3.000,000.00
Reserve Premium Fund	7,598,001.00
Reserve for Unpaid Losses and Other Claims	1,920,550.54
Net Surplus	8,720,501.34
Total Assets	**$21,239,052.88**
Surplus as regards Policyholders,	**$11,720,501.34**

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ORGANIZED IN 1853

Losses Paid Since Organization, over - $99,000,000.00

THE HOME has a well organized, competent and experienced force of GENERAL and SPECIAL AGENTS resident in the Pacific Coast States, ensuring prompt response to the needs and requirements of its Agents and the insuring public, and IMMEDIATE ATTENTION TO THE ADJUSTMENT AND PAYMENT OF LOSSES.

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THE Preferred - Accident - Ins. Co.

Of New York.

KIMBALL C. ATWOOD,
SECRETARY

Assets, Jan. 1st, 1905	- -	$1,230,874.40
Surplus and reserve (including capital) for the protection of policyholders		$1,105,542.35
Claims paid, - - -	over	$5,500,000.00

More Insurance in force in California
than any other Accident Company.

The Unlimited Health Policy

$2,500 for loss of Sight of Both Eyes from any disease
$2,500 for Permanent Paralysis of the Entire Body, Both Feet, Both Hands, or Hand and Foot by disease
$25 Weekly Indemnity (limited to fifty-two weeks) for Disability resulting from

ANY DISEASE

SURGEON'S FEES—In case of operation the result of disease, this Policy provides a long list of cash benefits, which are paid in addition to the weekly indemnity,

NO MEDICAL EXAMINATION REQUIRED

PREMIUM	Ages 18 to 50 (inclusive)	$35 per annum
	Ages 51 to 55 "	$45 per annum

A Policy allowing Half Benefits at Half Price

Health Policies are sold only to those who carry Accident Insurance in this Company

. The Best Policies .

The Best Commissions

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THE London
Assurance Corporation
OF LONDON
Founded 1720

Cash Assets - - $21,000,000.00

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Pacific Coast Branch
205-7 SANSOME ST. San Francisco

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FIRE INSURANCE COMPANY
OF NEW YORK

Cash Assets.....$3,700,000.00

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Pacific Coast Department
205-7 SANSOME ST. San Francisco

British America Assurance Co.
OF TORONTO
INCORPORATED 1833

Assets in United States - $1,428,610 75

Western Assurance Company
OF TORONTO
INCORPORATED 1851

Assets in United States - $2,360,496 46

The only fire insurance companies that have a special California deposit of $100,000 each, for the exclusive protection of California policyholders.

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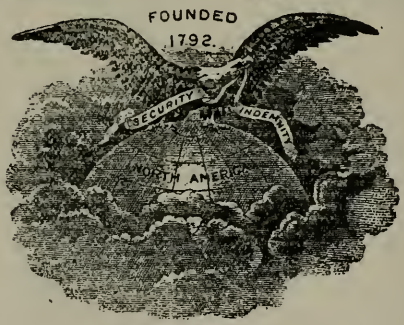
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1792 **1906**

INSURANCE COMPANY OF NORTH AMERICA

CASH CAPITAL
$3,000,000.00

POLICY HOLDER'S SURPLUS
$6,626,730.57



ASSETS, JAN. 1, 1904
$13,024,882.85

NET SURPLUS
$3,626,730.57

OF PHILADELPHIA, PENNA.

Oldest Fire Insurance Company in the United States
LOSSES PAID SINCE ORGANIZATION, $123,838,099.36

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Offered Intelligent and Reliable Men

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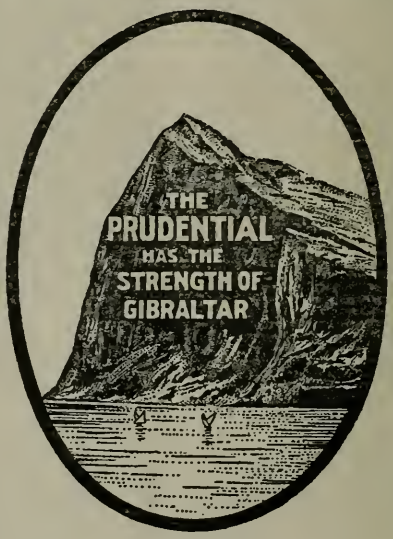
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PROGRESSIVE
FAITHFUL

SOME of the cardinal aims of the *Union Mutual* management are—to be conservative in the choice of investments—to be progressive in the proescution of the business—to be faithful to the interests of policyholders.

Agents of like inclination cordially welcomed

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ASSETS, - $1,620,865.99 | SURPLUS, $725,391.35
ORGANIZED IN THE YEAR 1864
HOME
FIRE AND MARINE
INSURANCE CO.
OF CALIFORNIA.
HOME OFFICE: 409 CALIFORNIA ST. SAN FRANCISCO CAL.

The German Insurance Company of Freeport.

ORGANIZED, 1865

Assets, - -	$ 5,546,127
Net Surplus, - -	1,727,980
Re-Ins. Reserve,	3,405,087
Losses Paid, over	19,943,504

C. H. WARD, Manager Pacific Department
337 PINE STREET, SAN FRANCISCO, CAL.
RELIABLE AGENTS WANTED

INCORPORATED MARCH 27, 1820 ORGANIZED SEPTEMBER 1, 1817

CHARTER PERPETUAL.

Fire Association of Philadelphia

CAPITAL $500,000
ASSETS $7,003,261

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BENJ. T. HERKNESS, Sec'y and Treas. — M. G. GARRIGUES, Asst. Sec'y

CUTTE & FRANK, General Agents
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OF AMERICA

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Manager Pacific Coast Department
215-16 Globe Block
SEATTLE :: :: WASHINGTON

ROYAL
Insurance Company
CASH ASSETS $60,883,963.71

QUEEN
Insurance Company
CASH ASSETS $,627,333.03

LOSSES ADJUSTED AND PAID THROUGH SAN FRANCISCO BRANCH OFFICE

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N. B.—The ROYAL enjoys the largest fire premium income of any company in the world.

FIREMAN'S FUND

INSURANCE COMPANY

FIRE MARINE

HOME OFFICE:

Company's Building, Sansome and California Streets

SAN FRANCISCO

CAPITAL -	$1,000,000.00
SURPLUS -	2,718,144.50
ASSETS -	7,232,552.19

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Atlantic Marine Department

FRANZ HERRMANN, Manager, 79-85 Wall St., New York

THE DORNIN COMPANIES

National Fire Insurance Company

OF HARTFORD, CONN.

Statement, January 1, 1906

ASSETS

Bonds and Stocks	$5,428,774 00
Loans on Bond and Mortgage	655,350 00
Real Estate unincumbered	333,571 84
Cash on hand and in Banks	351,393 96
Cash in hands of Agents	535,869 16
Total Assets	**$7,304,958 96**

LIABILITIES

Capital Stock	$1,000,000 00
Reserve for Re-insurance	3,483,034 78
Reserve for Unpaid Losses	357,618 70
Special Reserve	150,000 00
Net Surplus	2,314,305 48
	$7,304,958 96
Surplus to Policyholders	**$3,314,305 48**

HOME OFFICE, HARTFORD, CONN.

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1849—*Largest Fire Insurance Company Chartered by the State of Massachusetts*—1906

Incorporated 1849. Charter Perpetual.

Springfield Fire and Marine Insurance Company

OF SPRINGFIELD, MASS.

CASH CAPITAL, $2,000,000 00

Annual Statement, January 1, 1906

ASSETS

Cash in hands of Agents and in course of transmission	$1,164,791 88
Cash on hand, in Banks and Cash Items	
Rents and Accrued Interest	48,254 84
Real Estate Unincumbered	477,000 00
Loans on Mortgage (first lien)	512,270 00
Loans on Collateral Security	6,050 00
Bonds and Stocks	4,948,165 00
Total Assets	**$7,156,531 72**

LIABILITIES

Capital Stock	$2,000,000 00
Reserve for Re-insurance	2,907,226 85
Reserve for all Unsettled Claims	225,304 47
Total Liabilities	**$5,132,531 32**
Net Surplus	$ 2,024,000 40
Surplus as regards Policyholders	4,024,000 40
Losses Paid Since Organization	36,129,703 52

A. W. DAMON, President — W. J. MACKAY, Secretary

CHAS. E. GALACAR, Vice-President — F. H. WILLIAMS, Treasurer

PACIFIC COAST DEPARTMENT, SAN FRANCISCO, CAL.

GEO. D. DORNIN, Manager

GEO. W. DORNIN, Assistant Manager — JOHN C. DORNIN, 2nd Assistant Manager

Annual Statement
OF THE
UNITED STATES BRANCH
OF THE
London Guarantee & Accident Co., Ltd.
December 31, 1905

Income for Year 1905

Premiums	$1,293,209.76
Interest	49,052.70
Total	**$1,342,262.46**

Expenditures for Year 1905

Losses	$ 554,031.33
Commissions	337,659.94
Taxes	20,099.70
All other payments	204,250.45
	$1,116,041.42

Assets

Bonds owned by Company	$1,525,872.90
Cash on Hand and in Banks	132,978.45
Interest due and accrued	17,813.70
Uncollected Premiums	223,455.92
Total	**$1,900,120.97**

Liabilities

Claim Reserve: Accident Dept	$ 28,815.06
Liability Dept	681,000.00
Additional Liability Reserve per Illinois Law of 1905	74,374.45
Reserve for Reinsurance	495,274.13
Reserve for Commissions and all other liabilities	62,637.59
Further Claim Reserve as per laws of Mass. and New York	98,209.57
	$1,440,310.80
Surplus to Policy-holders	459,810.17
	$1,900,120.97

Deposited with New York Insurance Department and United States Trustees, $1,657,872

WRITES

EMPLOYERS' LIABILITY
GENERAL LIABILITY
CREDIT
WORKMEN'S COLLECTIVE
ELEVATOR
TEAMS
and GENERAL ACCIDENT

INSURANCE

UNITED STATES BRANCH

Established September, 1892

307-321 Dearborn Street - - - CHICAGO, ILL.

A. W. MASTERS, General Manager

The Adjuster

VOL. 32. MARCH, 1906 NO. 3.

PUBLISHED MONTHLY BY THE ADJUSTER COMPANY,
303 California St., San Francisco, Cal.

J. A. CAREY, - - - - - Editor

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Terms of Subscription.

ONE YEAR, $3.00 SINGLE COPIES, 25 cts.

PAYABLE IN ADVANCE.

San Francisco.

In our February number we advocated the adoption of a single ratio of compensation for all premium getters, such compensation to be by way of commission only.

This is, in our opinion, the only safe alternative to the go-as-you-please system which must now, in all fairness, be regarded as prevailing by common consent— a system which may last awhile, but is none the less exceptionally perilous.

It is the Delilah of our local day, coaxing the Samson and sapping his strength, until the time shall come (and may come quickly) when he will rise in his wrath, and out of his very weakness, pull down every column of the Temple over himself, over fair Delilah, and over everybody within its walls.

Our single-ratio theory has brought forward two protests, one from a "City agency" point of view and the other (a violent one) from that of the salaried solicitor.

The latter protester claims that he has as much right to a fixed salary as has the clerk, or, come to think of it, as the manager himself. He is an exclusive employe. He yields up the entire product of his labor to one employer, and his remuneration will therefore be (and very properly) the highest that his employer can afford, and that he himself will accept. He merges his own individuality into that of his company.

The former protester claims that he is entitled to more than anybody else (and "especially any kind of a solicitor"), because of his liability to heavier operating expenses, his duty to make and account for premium collections, and his privilege to affix his signature to the company's policies. He is, in a representative sense, the equal of his own manager. He saves the time of the latter, and of the employes of the latter, by seeking, working for, and securing some of the business of the foot-loose broker. Under all circumstances, his should be a preferential position.

The defense made by both classes is of course partially right and partially wrong. Both arguments can however, easily be met by counter arguments, even as a matter of pure theory. But when it comes to a matter of practice and actual experience of results, both arguments stumble, and are as valueless as broken reeds.

After some years of operation, a system based on exactly the arguments above quoted, has produced a seething mass of strained compensations, an awkward tangle of will-o'-the-wisp schemes, a crossing of reins which never were intended to be in anybody's hands except those of one driver.

Why should it be financially possible for a so-called solicitor to pad his premium account by paying either a broker or a city agent for more or less of their business?

Why should it be financially possible for a city agent to pay a broker more than his own principal is permitted to to pay?

Why should a principal be permitted (as the rules actually do permit) to pay so much to his solicitor as to enable him, financially, to do these things, all of them subversive of straight forward practice?

There is only one remedy and one safeguard.

Place everybody—with one single possible exception (if hopelessly unavoidable) below mentioned—on the one single basis of commission compensation, and thereby kill the devious trafficking and heavy expense which must accompany fictitious, self-fooling, fanciful gradations in the same class of feeders, however plausible those gradations may be.

The one least harmful exception may be the case of the city agent who maintains his separate offices, pays all his own operating expenses, and exclusively transacts the city business of one or more companies. In that event, no fixed over-riding commission should however be permitted; but his actually paid expenses might be allowed, month by month, borne by one company, if only one is represented, and borne pro rata by the several companies represented (all exclusively), if such be the conditions in his agency.

We do not believe that the unceremonious adoption of the single-ratio plan would seriously disrupt existing connections. At any rate that is a feature which could be provided against to a reasonable degree. It is true, however, that renewals would to a certain extent redistribute themselves. But that is an incidental readjustment which would be very apt to produce results as broad as long.

The more we study the whole question, the more convinced are we that the "single-ratio" is the solution of the present astonishing conditions and the salvation from disaster, in the near future, of San Francisco business. A very prominent manager remarked a few days ago that if there was no Board to govern rates in San Francisco, he wanted none for the county either. If there are others who agree with him, then it is clear that salvation from disaster of San Francisco means also the salvation of the entire Coast. Is it not worth while then for our local puzzle to be tackled in earnest? Is there not the greatest possible danger in letting things slide?

That the limit of irregularity under the present legalized possibilities, has not yet been reached is certain; and we are in a position to assert from personal knowledge, that during the past month, the entire business of a certain Building Loan Association has been contracted for by a city agent or a salaried solicitor—which of the two we do not know—at a straight commission allowance of 33⅓ per cent.

Recommendations of the Armstrong Committee.

The report of the New York legislative insurance investigating committee handed in to the Legislature, February 22, is a voluminous document, the "reforms" recommended alone comprising sixty pages of print.

A bill has been drafted as an amendment to the present insurance law of New York and the department of insurance as now conducted in that State is severely scored for neglect of duty and incompetency.

The committee recommends annulment of the existing law so as to permit the incorporation of legal reserve companies without capital stock, and favors the repeal of the law permitting the incorporation of

companies on the assessment plan, and also that legalizing stipulated premium companies; but existing assessment companies are to be allowed opportunity to re-incorporate under the law requiring a full reserve.

Much space is given to the subject of the control of rights of policyholders in the election of directors, the committee favoring voting either in person, by mail or by proxy, but limiting the life of proxies to two months preceding a given election.

Somewhat startling is the recommendation that the terms of office of the present boards of directors of mutual companies shall expire on November 15 next, for the reason that the policyholders have had no actual participation in this election.

The abolition of stock control of life insurance companies is favored and a plan elaborated for universal mutualization which should prove practicable, provided the stockholders can be induced to surrender their property on invitation.

In any event it is asserted that stockholders should have the privilege of giving policyholders the right to manage the affairs of the company.

Regarding investments the committee is of the opinion that purchase of stocks should be prohibited and that the statute should forbid all syndicate participations, purchase or sale on joint account, and the making of any agreement providing that the company shall withhold from sale for any time, or subject to the discretion of others, any securities which it may acquire.

It is proposed to limit the amount of new business that any company may write to $150,000,000 per year, and for fear this curtailing of the operations of the big companies may produce greater activity and rivalry among the smaller companies these latter are to be restricted to what is termed "proper limitations."

"The result," says the committee, "may be accomplished by requiring that the new business should bear a suitable relation to the amount of insurance already in force."

We presume that, to prevent serious loss in the operation of agency plants, a waiting list may be provided or another company, on the side, organized to receive the surplus business. But it is not within the province of this committee to say how, but what should be done.

Preliminary term valuations of policies issued after December 31, 1906, are to be prohibited and the superintendent of insurance is directed to fix a legal minimum standard for the valuation of industrial policies. A radical amendment to the present law against rebating is suggested that will make the receiver equally guilty with the giver.

The report makes no recommendations as to the manner in which dividends shall be compiled, but it disapproves of non-participating policies, and regarding deferred dividends is of the opinion that the results have not justified the expectations.

"The advisability of frequent examinations," says the report, "is sufficiently illustrated by the case of the Washington Life Insurance Company, where it appeared on the examination in 1904 that during the interval of four years since the prior examination it had in at least two annual statements deceived the department by glaringly false returns of its existing liabilities, and that instead of having an alleged surplus of considerable amount its capital was seriously impaired. In connection with this company it may be noted that a more careful scrutiny of the reports to the department of lapsed and restored policies would have led at an earlier date to the investigation which appears finally to have been induced by outside criticism."

Regarding the committee's suggestion that publicity be secured by publishing a list of all policyholders, with residence and amount of policy, Insurance, of New York, comments as follows:

Let us waive all questions of legal competency to compel such a thing and all considerations of propriety and expediency, and do a little figuring. The companies incorporated by this State have not less than eleven million policies; let us say there are ten million holders. Now Webster's Unabridged, set solid in very small type, has about 400 lines per page, and it

is a thick book of 2,000 pages. Making allowance for leads, some little spacing, and the fact that name, address, and amount would in many instances not go into one line, it is a very large allowance to suppose that 400 names could be put on an average page; however, let it go so, divide ten million by 400, and we find that twelve volumes like this dictionary could not contain the "list." But the outside companies which operate here have another ten millions; so another library of 12 thick quartos will be needed. In order that every policyholder may have the address of every other (thus securing the utmost publicity) a copy should be furnished to every one of the ten or twenty millions. The list would not stand as well as a directory does; it would need very frequent revision and correction —shall we say semi-annually, as said to be favored by some of the committee, or monthly, or weekly, or daily? And who shall be the printer, and who shall hold him?

∴ ∴ ∴

An Example of Insurance Legislation.

As an example of what insurance companies have to contend with in their efforts to avoid not only unfavorable legislation but the passage of laws framed and introduced by persons apparently incapable of gaining even a rudimentary knowledge of the business, we call attention to an amendment to the State law passed by the last California Legislature at, we are told, the instigation of our own insurance commissioner, E. Myron Wolf, and now operative if not operating.

This measure reads as follows:

"In the case of a company or a corporation engaged in the business of life insurance, whenever its liabilities for losses reported, expenses, taxes and reinsurance of all its outstanding risks, at rates based upon the American Experience Table of Mortality and interest at the rate of three and one-half per centum per annum, exceeds its assets, such company or corporation is insolvent."

It will be observed that this amendment makes absolutely no distinction between business written years ago, when premiums were less than now, and business written recently; and its enforcement would at one fell swoop imperil the very existence of some annual dividend companies, a class of company Mr. Wolf pronounces himself as largely favoring, and immediately increase the cost of insurance to policyholders.

All companies, on business issued prior to some six or seven years ago, make their reserve valuations on the American Experience table with 4 per cent interest. Now there is a mighty difference between the American 3½ per cent and the American 4 per cent.

To illustrate: The present reserve per thousand on an ordinary life policy written at age 35, twenty years ago is 294.75 on the American table, with 4 per cent interest. On the American table with 3½ per cent interest the reserve is $310.75. Here is a difference of $16.00 on each one thousand of insurance.

When it is considered that an old, ideal annual dividend company, a company which has been in the habit of paying out a very high percentage of its surplus in dividends to its policyholders, has millions upon millions of insurance in force on the 4 per cent basis, it is readily seen that the increase in reserve would run into a tremendous amount of money and very badly cripple or throw it into insolvency.

Even if the company were not thrown into insolvency the cost of insurance to old policyholders would be materially raised for the reason that the company would be compelled to get the difference in the amount of reserve out of its surplus, thereby reducing the dividends and increasing the net cost to each old policyholder.

Much has been written by the newspapers about the present cost of life insurance and by this means many intending insurers have been led to postpone making application by the hope that the companies would make a reduction in premiums, but all well-posted people understand thoroughly well that there can be no lessening of the cost of life insurance except through the medium of dividends declared by the companies.

Nothing can be done with this law until the assembling of the next Legislature, and it is probable that Commissioner Wolf, recognizing the folly of the measure, will make

no attempt to enforce its provisions. Although somewhat hasty and erratic in his conclusions no one doubts his entire honesty of purpose.

But let us suppose that such a fool law were permitted to remain upon the statute books, unnoticed until a commissioner not quite so honest as Commissioner Wolf were appointed to succeed him. Such experiences are not at all unfamiliar to insurance interests, and that they are expensive many can testify.

It may be said that the insurance people themselves should have detected the outrage hidden in this law and prevented its passage.

They most certainly should have done so. To protect, in this regard, the policyholders of a company is a most sacred and imperative duty, and the circumstance that John A. McCall was dragged from his high place as president of the New York Life and hounded into his grave by cheap politicians and a sensational press for recognizing and performing this duty will not excuse others for its neglect.

⁂ ⁂ ⁂

Utah Local Board.

The Salt Lake City agents have followed the wise example set by their confreres at Los Angeles and formed a local board.

The ADJUSTER takes some credit to itself in this matter, for it plainly and without compliment recently laid before them what must naturally be the alternative of a continued quiescent attitude on their part toward the evils prevalent in Salt Lake.

They must now follow up this first step by a definite policy of good faith and some considerable self-restraint; for there never was a time when the introduction of constitutional self-government did not immediately create an active struggle between the old conditions and the new—a struggle which, in the insurance business, is apt to be in evidence for a full twelvemonth at least.

The matter of cut rates thus (in self-defense) adjusted, to the benefit chiefly of those who have hitherto cut the deepest, and to the advantage most largely of those who have the strongest grip on the Mormon business, the next step should be in San Francisco; and it should be in the direction of an equalization to a certain extent of commissions as between board and non-board companies, through the adoption of graded commissions on the part of the former, throughout the State.

In every other State within the jurisdiction of our board, we should advocate graded commissions, without separation, only in the formerly "excepted cities" plus perhaps one or two more.

But Salt Lake City is so overwhelmingly influential throughout the State, and the latter is so completely honeycombed by a definite policy of good faith and some square deal, by which we mean a more general distribution of the business in the whole State, cannot begin to come about until the financial benefits to board and non-board agents, respectively, are made to approach each other more closely. With an honest local board in Salt Lake City and graded commissions throughout the State, companies hitherto shut out may gradually work into that reasonable share of the general business which their efforts, practices and financial solidity ought, as a matter of equity, to attract, and which they do attract everywhere else.

We compliment Mr. Rogers of Salt Lake for the plentiful energy which he devoted to this difficult mission. He has made a name for himself in Utah insurance history.

⁂ ⁂ ⁂

A Protest From the Field.

The ADJUSTER is particularly pleased to give place here to a resolution from a committee representative of a large number of practical insurance workers intended as a protest against the unconsidered publicity given to extravagant rumors and downright misrepresentations by the public press.

We have frequently called attention to the fact that the present prevailing dis-

ruptive measures directed against several prominent companies have had their origin in sources separate and apart from the policyholders and agents of the companies attacked, who would appear to be the ones most interested, in fact the only ones at all concerned.

It is time that not only the agents of those companies affected but the policyholders should take concerted action to cry, "Hands off!" The agents of the Mutual Reserve have set a good example in organizing and appointing a press committee. The following is the protest of this committee, presented and adopted by the field forces at their fourth annual reunion, held February 16th in New York City:

WHEREAS, We, the field representatives of the Provident Department of the Mutual Reserve Life Insurance Company, assembled at this our fourth annual reunion, realizing the injury and loss to the public at large occasioned by the groundless and unfounded statements and rumors indiscriminately published in the public press, and the effect such statements are having in the way of causing many policyholders, through a misunderstanding of the true conditions existing in the life insurance business, to forfeit their insurance, and thus lose the protection which it affords them; and

WHEREAS, Such statements affect directly the business under our charge, and have brought to our own personal knowledge the loss of insurance protection where it is most needed, and also a loss to ourselves and our co-workers through such injury to our business; and

WHEREAS, We know the great good and benefit done by life insurance, and that the life insurance companies are absolutely solvent and able to meet in full all their obligations; be it therefore

Resolved, That we, realizing personally the vast amount of good, our company, the Mutual Reserve Life Insurance Company of New York, has done in the payment of over sixty-four million dollars to its policyholders and their beneficiaries, in the period of twenty-five years, feel it our duty, as its field representatives who come in close touch with the insured public, to protest against the indiscriminate publication of articles reflecting upon the life insurance business; and therefore be it

Resolved, That we protest, and appoint a committee to place before the press this resolution for publication, asking equal prominence accorded other articles on life insurance, to the end that we may do our share toward that restoration of public confidence and the prevention of the great public calamity which would fall upon the country through a further injury to business that has done more good and brought greater benefits to the public than any other one institution.

Insurable Interest.

To agree to pay a sum of money if an event does not occur, for the sake of receiving a sum of money if the event does occur is to make a bet.

The agreement existing between a life insurance company and a policyholder is by itself a bet.

Betting as such is contrary to public policy.

When a gambler wishes to avoid chance he hedges his bets.

Every dependent being is compelled by circumstances to make a bet with fate or whatever one prefers to call it.

Nearly all are dependents and stand to lose the thing depended on, be it health, guardian or wealth, and are hence making a bet, which is contrary to public policy and which an advanced state of society will require to be hedged by what is known as insurance.

Insurance is the opportunity offered the public to hedge on some of the chances inherent in modern social conditions.

In this connection we have the principle of "insurable interest." The presence of an insurable interest is in effect a hedge on the insurance bet and eliminates the obnoxious element of abnormal gain which makes betting and insurance without insurable interest contrary to public policy.

The essential idea of a hedged bet or insurance is indemnity and no insurance should be permitted where indemnity is not the object sought.

Men insure against the chance of loss by fire, they buy endowment policies to indemnify against loss of wealth or loss of vitality by old age. Wives insure against the loss of husbands and their earning power. Nowadays, of course, the husband pays the premium, but that is a modern

innovation which speaks well for our social structure. It is not many years, however, since premium receipts were made to the beneficiary, instead of to the assured.

In all the various forms of insurance the thing paid for is indemnity or recompense for the actual loss sustained. It is because the public has never clearly recognized this principle that litigation frequently ensues.

A fire insurance policy is not supposed to pay for loss of time and inconvenience; neither is an accident policy supposed to pay for pain brought on by an accident. In the latter case the weekly indemnity paid, strictly speaking, should not exceed the amount the individual could earn in the week by attending to his ordinary business. There can be no insurable interest in accident or life insurance in the case of a non-producer any more than there can in fire insurance be an insurable interest beyond the value of the property insured to the purchaser of the insurance.

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Another Examination Experience.

We give the following as a matter of record, without comment:

In the latter part of 1905, Hon. W. D. Vandiver, superintendent of insurance, notified the Mutual Reserve Life Insurance Company of his purpose to undertake an examination, the same to begin about the middle of February, 1906. The company made no objection, although in its opinion the examination and the expense incident thereto were unnecessary.

In February he notified the company that he was prepared to begin the examination and that five persons would be employed thereon, at a daily charge to the company of $81, together with the living expenses in New York of one of the examiners, who was to come from St. Louis. Among the five was included "stenographer or clerk, per day $6.00." The State statute provides that "the fees for an examination of the assets or the liabilities of a company shall not exceed ten dollars per day for any one examiner, together with all necessary expenses incurred and actually paid and reported under oath of the examiner." The company objected to these fees as illegal and, in many cases, unnecessary. It claims that, whatever compensation the State of Missouri might pay for the examination, the limit that can be charged the company is fixed by the statute, and even this does not warrant such unreasonable charges as a clerk or stenographer at $6 per day. It has the advice of the best insurance counsel in Missouri that "the insurance superintendent cannot lawfully demand that you submit to an examination at any such exorbitant cost as the superintendent has indicated."

The company's estimate of the minimum cost of the examination is $8,000, while the superintendent admits that it would probably reach $5,000. While the company is advised that the Missouri courts would restrain the superintendent from interfering with the business of the company, such action would involve a large expense, and the superintendent could nullify the effects of it by future hostility to the company, in revenge for its compelling him to recede from his illegal position. The company, therefore, was face to face with the alternative of spending the money to compel the superintendent to observe the law, or else submit to an illegal examination or withdraw from the State. As the course least burdensome to the policyholders, it has decided to submit to the injustice involved in the latter alternative.

The Metropolitan Plate Glass and Casualty.

Speaking in the February issue of the ADJUSTER of the remarkably fine showing made last year by the Metropolitan Plate Glass Company of New York in its different departments we quoted the company's loss ratio as below 55 per cent., which was strictly correct, but when our attention is called to the fact that the ratio was only 34.9 per cent. we are forced to admit that the intended complimentary article was just a little misleading.

BACK TALK.

A correspondent is good enough to recommend for the benefit of my understanding a closer acquaintance with the motives actuating the varied performances of one Mr. Lawson in behalf of insurance in particular and mankind in general and warns me that the time is approaching when that gentleman is to "show newspaper men and particularly those connected with the insurance press" that he is not to be misrepresented and maligned with impunity. Compared with the titanic wrongs that others suffer at his hands, any indignities that may become my own must be light afflictions. The ADJUSTER'S attitude toward any person for whom it is unable to entertain respect and affection is that of frank dislike. I hope that some of its friends can understand and to some degree sympathize with this frame of mind as a mood. Still, appreciating the kindly intended office of my correspondent and with intent to profit by his advice, I offer the assurance that any future attempt to exhibit the rascality of this particular knave shall be carefully considered with view to the performance of the fullest justice.

* * *

A gentleman of San Francisco having died the other day without observing the customary formality of securing medical assistance, the medicos pronounce it suicide and an assessment company in which he carried a policy of insurance hesitates to acknowledge liability. The mortal hurt was at first supposed to have been received by him while discussing a scientific problem with a fellow pugilist, for the reason that immediately after having been made the recipient of what is technically termed a punch in the breadbasket he became unconscious and remained so until pronounced dead some time during the following day. But now the learned doctors say that from the manner of his squirming about over the floor, the rolling of his eyes and other indications, strychnine must have been administered. Hence the complication, and the distress of the insurance association.

* * *

Could an insurance company reap a profit if it guaranteed the honesty of underwriters who sign agreements to abide by rules?—Western Underwriter.

Now my dear sir, if you are the nice, clean, unsophisticated young gentleman that I naturally suppose you to be, you will accept my intimation that your question is an impertinence and, aside from this, it is not at all to the advantage of mortals to waste time in worrying about such trifles as their own common imperfections. If, however, these remarks should not appear to carry with them the consolation desired and you still yearn for enlightenment regarding the honesty of underwriters addicted to the practice of signing agreements to abide by rules, a personal letter addressed to myself will secure to you the names of some several underwriters who would not lie to please the devil himself.

* * *

A contemporary has frankly confessed in the columns of his paper that he does not know which has been the most destructive during the past ten years in this United States, fire or water. While it is safe to say that the rivers this writer has set on fire will do no harm, anyhow, I am interested to learn that the Maryland Casualty, being of the opinion that water is as dangerous as fire and reflecting that nowhere exists a company prepared to furnish indemnity for loss occasioned by water, unless is excepted an instance where a person becomes overboard and overinflated with the fluid—recognizing this condition, I say, the Maryland Casualty has issued what it calls the "General Water Damage Policy," which reads as follows:

Against direct loss or damage to property owned by the assured and described in the schedule endorsed on the reverse side hereof, and also from loss from liability of the assured for damage to merchandise held in trust or on commission or sold but not delivered by being removed, situate within that part of the premises occupied by the assured as described in the said schedule, and caused,

during the term of this insurance, by water resulting from flood or inundation or backing up of sewers or outside drains, or by water or steam from the plumbing, automatic sprinkler system, steam or hot water pipes and radiators (exclusive of boilers), roofs, leaders, spouting. elevator tanks or cylinders, standpipes and windows now erected within or upon the building occupied wholly or partly (as described in said schedule) by the assured; but the total aggregate liability of this company shall in no event exceed.....dollars ($.....).

* * *

It is said that the recent convention of Nylic men assembled at Lakewood, N. J., was a dismal affair. Vice-President Buckner did what he could to call up the old-time enthusiasm, but the absence of John A. McCall and George W. Perkins produced an effect decidedly funereal and damped the entire proceedings. The business of the past two months has fallen off until it is smaller than that for any simliar period in the New York Life's experience for many years. The agents are all instructed to get as many voting proxies as possible, and the performance of this task is believed to have interfered materially with the work of securing new business. On the Coast the company is writing very little business and is losing heavily by withdrawal of persons already insured who have been talked over by agents of other companies. With the Equitable local conditions are almost identical and the Washington Life suffers through association. With the other life insurance companies business is improving, and there is every indication that 1906 will be a prosperous year for all of them.

* * *

Times are very dull indeed when the Chicago Board of Underwriters has not a crisis on hand. Just now the local agents are accused of lapsing back into a state of utter disregard for rules and good practices, while a great horde of middlemen are gobbling up everything in sight in a manner utterly regardless. This is, of course, all very painful to the managers, and they are said to have given notice that unless the agents behave themselves they will begin to cut up a little on their own account, if necessary resigning from the board, that this may be done unobstructedly and without unnecessary anguish to their impassioned sensibilities. Some managers in their agitation over the situation have even gone so far as to seem to think that the Dean schedules should be put in effect. These troubles will come so long as insurable interests fail to keep pace with the ambition of fire insurance companies to increase their premium receipts, and they are as old as the history of the business.

* * *

San Francisco has an ample water supply. The company which supplies practically all the water used in San Francisco is adding to its capacity and will be able to meet all demands of the future growth of the city. Other water companies will supplement these supplies. In addition there is a large supply of water at a depth of from 5 to 100 feet beneath the surface of the city. In all building operations in the lower levels and on the ocean frontage excavations are greatly hampered by the inflow of water. This water is not merely abundant but is clear and pure. It is believed that much of this water is supplied by underground streams from the mountain ranges which are not far away. On the east and north sides of the city is a deep bay; on the west side there is a wide ocean.—Local Contemporary.

When our contemporary finds himself upon this subject, whether in its relation to Petaluma, Santa Rosa, Muckeltio or San Francisco, he, like the gentleman on the water wagon, sees nothing but copious fountains perennial and apparently exhaustless spurting up all about and over him to the exclusion of all such, to him, minor items as veracity and common sense.

It appears that the ADJUSTER has been wrong in claiming that the parsimony of the water company in its efforts to build an impregnable structure for its own aggrandizement has not sacrificed the city upon an altar of selfishness only the good fortune of a community born under a luck star.

Half a year ago we said, and the same

holds good today with increased force, that to this good fortune has been added a fire department beyond the usual efficiency, made so by necessity, every chief, in fact, every man, with the inborn feeling that the hold on even life itself must not bar the effort to catch the fire at the outset, that delay means the loss of a city and that only by efficiency and promptness of the highest character can their work be of any service.

For Oakland and the row of cities bordering the eastern shore of the bay a supplementary experience to that of this city seems not to be avoided. With a magnificent field of operation, the tactics of the San Francisco corporation are being adopted in the shutting out of competitors; in stingy extension of insufficient mains; in an utter indifference to the demands of the public other than necessary supply for domestic consumption; in an attitude of defiance toward municipal requirements and a sinking of all but the utmost selfish motives in all its transactions.

This picture will do for either of the water companies and everyone who reads the history or looks into the motives of one may well apply that knowledge to the other. What remedy or recourse these two great municipalities have at their command are problems requiring wise and skilful statesmanship.

Municipal ownership and that at the earliest date, is probably the most effective. For competing companies with water drawn from distant sources there is some chance, but these avenues have been more than carefully exploited by the water companies now in possession. When the U. S. Government has an interest in the water supply some unseen hand blocks the public demand. Where, urged by the conflagration danger, the city fathers start a salt water pressure system by reserving money for a reservoir, some magic power holds the money in the treasury and even a site is not procured to start the work.

The water companies in both cities are potent factors in politics and all that goes to pull the strings that occasion delay in all matters that do not suit their purpose.

The existence of these great monopolies, beneficial only so far as suits their selfish ends, is a curse which hangs over both communities.

It has been the privilege of our contemporary to remove this curse by a suggestion as simple in its practical application as the mind which gives it birth. During the dry summer months at a time when the reserve supply of the water company is all but exhausted, should this city be visited by a conflagration it will be only neccessary for the population to turn out and scoop holes to the depth of from 5 to 100 feet. Should the situation prove very serious a few foundations might be yanked out and not merely abundant but pure and clear water secured. Always remembering that on the east and north is a deep bay and on the west the wide ocean.

* * *

Not much has been heard for some little time of Mr. Lawson's campaign to get control of the Mutual Life and New York Life, but since the Chicago conference the papers have been filled with accounts of thousands of miles journeying around the country in quest of men of prominence to act on the committee that is to vote the proxies he has acquired. At this writing Governors Hanley of Indiana, Cummins of Iowa, and Johnson of Minnesota have consented to act, and Senator La Follette of Wisconsin has declined to act. Mr. Lawson declines to state how many proxies he holds, but admits that he has not a majority of all policyholders, but enough he believes to control the companies. He will not accept office in either company. Lawson is spectacular if nothing else, and it appears from lively accounts in the papers that the policyholders as well as the committee of governors and prominent men whom he is gathering together, are going to come to New

York, at least enough are coming so that it is going to take Madison Square Garden to hold them. Lawson and his campaign might as well be regarded pleasantly, as it is about the only turn of a vaudeville nature in the serious and uncertain turn of the past year in the business.—Insurance Journal.

This movement is anything but vaudeville. Mr. Lawson is simply following to the letter that advice proffered persistently by leading insurance journals at the commencement of the factional row which disrupted the companies, played merry hell with the business and cut off the pap of more than one journal that were loudest in crying the necessity of mutuality in company management and the danger to be apprehended from stock control. Compared to their former noisy bow-wowing on the subject their present silence is as the ghastly perambulations of an embryonic idea through the vacuous caverns of their inner consciousness, but the mischief has been done. On exactly the lines laid down by these journals (at the behest of those at one time seeking to control the Equitable?) Mr. Lawson has been and is now exerting himself in behalf of the policyholders, not one of whom would not be better off without his malicious and impudent meddling in their affairs. As well say that the devil is spectacular if nothing else as to apply the phrase to Lawson. Lawson is not only spectacular but he is active, mischievous, cunning and powerful. Out upon such pleasantry.

* * *

One of my revered contemporaries is an exceedingly modest and retiring individual. In a long list of curious accidents he fails to make any mention of himself.

* * *

Insurance Commissioner Host of Wisconsin is reported to have announced his intention to push to the bitter end those certain libel suits brought by him against sundry insurance papers. The mental anguish suffered by him from these libels is said to have been something awful, and he is as mad as a hatter. People conscious of having disgraced themselves are doubly sensitive to any indignity put upon them by others. But, I hasten to add, this remark is in no way applicable to the insurance commissioner of the state of Wisconsin, dear me, no.

* * *

"Business" is supposed to be forgotten at the Once-a-Year Club, and unless it is, the session this year will be a rather doleful one.—Insurance Post.

And this from a gentleman who was wont to sniff at "sausage lengths."

London Guarantee and Accident.

The annual statement of the London Guarantee and Accident Company shows remarkable progress along conservative lines under United States Manager A. W. Masters' control.

The premium income last year amounted to $1,293,209, which, with interest, gave a total income for the United States Branch of $1,342,262, and a clear profit, after paying all expenses, and over half a million losses of over $226,000.

The assets of the London Guarantee's United States Branch are now $1,900,120.97, with a clean surplus to policyholders of $459,816.

Under Captain Masters' management this company has become very popular in this country, being regarded as quite a home concern, and it has by pursuing sound business methods deservedly earned all the success that has come to it. The London Guarantee and Accident is represented in California by E. Landis, 418 California street.

On Easy Street, in Annuity Town,
An undertaker settled down.
For day and night he had a bell,
But never a call to him befell.

Few were ill, and no one died,
Their wants in life were satisfied.
The only one who passed away,
Was the man himself. He starved,
they say.

—*The National Messenger.*

The Continental Casualty Company began the new year with admitted assets of $1,708,601 and a surplus to policy holders of $550,959. During 1905 the sum of $2,129,749 was received for premiums.

DIGEST OF INSURANCE CASES

Compiled expressly for THE ADJUSTER

FIRE.

Conditions of Policy—Change of Ownership—Contract of Sale—A fire insurance policy contained a condition that "if any change other than by the death of an insured takes place in the interest, title or possessions of the subject of insurance (except change of occupants without increase of hazard), whether by legal process or judgment, or by voluntary act of the insured, or otherwise, * * * the entire policy shall be void." In a suit upon such policy to recover for a loss by fire, it appeared that the plaintiffs, who were the sole owners of the insured dwelling house and premises, had, after the issuance of the policy, executed a written agreement to sell and convey the property in fee to their tenant, who was in possession, upon the payment of the stipulated price (a portion of which was then paid), and it was held that such acts caused a change in interest, title and possession of the subject of insurance sufficient to avoid the policy.

Same—By force of such contract and transfer of possession a complete transition of the equitable and beneficial ownership from the vendors to the vendee was effected, subject only to the claim of the vendors for purchase money. Although the vendors thereafter still retained the legal title to the land, they held it as trustees for the vendee, who became the owner in equity.—*Grunauer et al. v. Westchester Fire Ins. Co.*, 62 *Atl.* (*N. J. Err. and App.*) 418.

Action on Policy—Evidence—Award—Upon an issue involving the question whether there was or not a verbal submission between the plaintiff and defendant and a written award of arbitrators ascertaining the loss under a fire insurance policy, whether another insurance company and plaintiff had in writing submitted their differences touching the same loss to arbitrators, who had returned a written award, the defendant, claiming to be a party thereto by verbal agreement of submission to the same arbitrators and having offered evidence tending to prove that fact, offered in evidence a written award to which the defendant claimed it was a party, which award is as follows:

"Award of Appraisers.

"To the Parties in Interest:

"We have carefully examined the premises and remains of the property hereinbefore specified, in accordance with the foregoing appointment, and we have appraised and determined the actual sound value to be six hundred and sixty-three 68-100 ($663.68-100 dollars, and the damages on same to be four hundred and forty-two 92-100 ($442.92-100)—which includes totally consumed goods—dollars.

"Witness our hands this thirty-first day of December, 1898.

"[Signed] R. H. Bell,
"[Signed] T. J. Boyd,
"[Signed] J. L. Richardson.
"Appraisers."

Held—Error to exclude the said written award from the jury.

Same—Evidence to Discredit—Such written award being admitted in evidence, the plaintiff would be entitled to introduce any evidence, oral or documentary, tending to discredit the award as being an award between the plaintiff and defendant, or to which defendant was in any way a party.

Arbitration and Award—Revocation of Submission—After an award is made and published, neither party can revoke the submission without the consent of the other.—*Levy v. Scottish Union and National*, 52 *S. E.* (*W. V.*) 449.

Appeal—Defenses Not Raised Below—The defenses, in an action on a fire policy, that it was assigned before the fire without the knowledge of the insurer, and that the "iron-safe clause" was not complied with, not having been pleaded, and instructions thereon not having been requested or given, are not available on appeal.

Insurance—Ownership by Insured—A vendor's lien on insured property does not work a forfeiture under a clause of a fire policy providing that it shall be void if the interest of insured be other than unconditional and sole ownership.

Same—Proof of Loss—Waiver—Proof of loss is waived by the insurer denying

liability and refusing payment on the ground that insured burned the property.

Same—Extension of Time for Proof of Loss—Insured having furnished proof of loss shortly after the time, and objection thereto not having been made till just before expiration of time for furnishing the same, he is entitled to further reasonable time to complete the proofs.—*Planters' Mutual Ins. Co. v. Hamilton,* 90 *S. W.* (*Ark.*) 283.

Insurance—Reformation of Policy—tention of both parties in issuing a fire policy that it should cover only part of the cotton in a warehouse, and insured relied on the assurance of the insurance agent, made in good faith, that this was the effect of the policy, it will be reformed; this being within the exception to the rule that relief from mistakes of law will not be granted.

Same—Time of Mistake—Reformation of a fire policy to make it cover the property intended will be granted, though the assurance of the insurance agent that it had that effect was made when the agent issued a prior policy to insured, and the prior policy was in another insurance company.

Same—Authority of Agent—A general agent of an insurance company for issuing policies, having authority to issue a policy on all the cotton in a building, has authority to issue a policy on part only of it.—*Phoenix Assurance Co. of London v. Boyett,* 90 *S. W.* (*Ark.*) 284.

Fire Policy—Additional Insurance—Effect—Where a fire policy does not stipulate against additional insurance, the same is without effect upon the validity of the contract.

Same—Stipulation Against Additional Insurance—Validity—An agreement between insured and insurer in a fire policy that additional insurance without the consent of the insurer shall avoid the policy is valid.

Contracts—Modification by Parties—Written Contract—A written contract may be modified by the parties thereto in any manner they choose notwithstanding agreements prohibiting its alteration, except in a particular manner.

Same—Waiver of Condition—Conditions in a contract imposing a forfeiture as a penalty for breach may not only be waived by contract, but by the declaration or conduct of the party for whose benefit they are made.

Insurance—Additional Insurance—Estoppel—Knowledge of Agent—Where a fire policy provided that it should be void in case of additional insurance without the consent of the original insurer indorsed on the policy, and the agent of the insurer had possession of the policy, and the insured called on him and asked that the policy be delivered to him, that it might be used in writing another policy on the premises, and he received the policy, and the insurer made no objection, the insurer was estopped to rely on such stipulation.

Same—Instructions—In an action on a fire policy containing a stipulation that it should be void in case of other insurance without the consent of the original insurer, it appeared that defendant's agent had possession of the policy, and that plaintiff called on him to obtain possession of the policy to be used in procuring other insurance, and that insured obtained the policy; the agent being informed why he desired it. The court instructed that if plaintiff notified the agent of his intention to take out additional insurance on the property in question, and "at that time or afterwards" told him that he was about to do so, and that no objection was made, and no steps taken to cancel the policy, defendant would be deemed to have consented to the additional insurance.

Held—That the instruction was not erroneous on the theory that it permitted the jury to find a waiver if they found that, before the issuance of the policy in question, plaintiff declared his intention of procuring other insurance.—*Polk v. Western Assurance Co.,* 90 *S. W.* (*Mo. App.*) 397.

Fire Policy—Forfeiture—Sale of Property—Rights of Mortgagee—A fire policy was payable to a certain mortgagee as his interest might appear, and it was provided that the policy should be void if any change, other than the death of insured, should take place in the interest or title of the property without consent of the insurer indorsed thereon, and also that "if, with the consent of this company, an interest shall exist in favor of a mortgagee, the conditions hereinbefore contained shall apply in the manner expressed in such provisions and conditions of insurance relating to such interests as shall be written upon, attached, or appended hereto."

Held—That though insured subsequently sold the property without the insurer's consent, the mortgagee was entitled to recover for a loss; no condition as to change of interest having been written upon, attached, or appended to the provision by which the interest of the mortgage was created.—*Edge et al. v. St. Paul Fire and Marine,* 105 *N. W.* (*S. D.*) 281.

Conditions—Concurrent Insurance — Violation—Knowledge of Agent—Estoppel—Where the agent of defendant insurance company accepted applications for insurance, knowing that plaintiff wanted his property insured for $7,000, and pursuant to his promise to procure such insurance secured applications for policies issued by defendant for $4,000, and at the same time and as a part of the same transaction undertook to and did obtain the balance from other companies, defendant was estopped from setting up a breach of condition against additional or concurrent insurance in the policies issued.—*Wansel and Property Mut. Ins. Assn.*, 105 *N. W.* (*Iowa*) 522.

Evidence—Acts of Agent—Existence of Agency—Where M. & Co., being both agents for defendant insurance company and for a building and loan association, paid certain premiums for the loan association accruing on policies issued by defendant on property in which the loan association had an interest, a receipt given by M. & Co. to the loan association for the aggregate of eight insurance premiums, one of which was the premium on the policy sued on, not appearing to have been given by them as agents of defendant insurance company, was not admissible as against it.

Vacancy — Forfeiture—Knowledge of Agents—Where M. & Co. were both the agents of defendant insurance company and of a building and loan association, for whose benefit certain property was insured by them, knowledge of the vacancy of the property acquired by M. & Co. as agents of the loan association, and not while attending to the affairs of the insurance company, and not shown to have been present in the minds of M. & Co. at the time they did any act with reference to the insurance as agents of the defendant, was not notice to defendant sufficient to constitute a waiver of a forfeiture by reason of such vacancy. —*Foreman v. German Alliance Ins. Assn.*, 52 *S. E.* (*Va.*) 337.

Fire Policy—Proofs of Loss—Time for Furnishing—Where a fire policy provides for furnishing of proofs of loss within 60 days, but it is not provided that there should be a forfeiture in case of failure to so furnish them, it is sufficient if they are furnished within a reasonable time.

Instructions—In an action on a fire policy, the evidence was conflicting as to whether insured was told by the agents of the insurer at the time the insurance was taken that an inventory exhibited by insured was sufficient, and defendant requested an instruction that if it was understood between the parties that the inventory offered was not a sufficient compliance with the provisions of the policy, and that insured promised to make a new inventory and on such understanding the policy was written, plaintiff could not recover.

Held—That it was proper to modify the instruction by stating that such was the case, unless insured was told by insurer's agent at the time the insurance was taken that the inventory was sufficient.

Proofs of Loss—Waiver—Evidence—Where the general agent of a fire insurance company was presented with proofs of loss, and did not point out any defects in it, but indicated a purpose to contest the policy for failure to comply with the iron-safe clause, it was sufficient to warrant a finding that there was a waiver or a substantial compliance with the requirements as to proofs of loss.

Iron-Safe Clause—Compliance with Clause—Evidence—Insured, who was a village undertaker, presented to the insurer an inventory, which was accepted as sufficient on the writing of the policy, and thereafter in an ordinary manilla book, which contained the inventory, he entered all sales made by him and kept the same in an iron safe and produced it after the fire. He had made no purchases. He also kept a ledger, in which he made entries of certain business transactions, but which was kept in a desk and lost. It did not appear that any such book contained any entry of transactions essential to an understanding of insured's business.

Held—That the facts warranted a finding that there had been a substantial compliance with the iron-safe clause.—*North British and Mercantile v. Edmundson*, 52 *S. E.* (*Va.*) 350.

Payment to Mortgagee—Subrogation—Where a cestui que trust purchases insurance on the trust property for the security of his debt, secured by the deed of trust, and a loss from fire occurs, and the insurance company pays the whole debt secured, it is entitled to take an assignment from the trust creditor of the debt so secured and paid, and to recover the same in the same manner as its assignor could do.

Same—Where the owner of real estate, which is subject to a deed of trust executed thereon to secure a debt by his vendor, sells and conveys the same, reserving his vendor's lien thereon for the purchase money, such conveyance being subject to such deed of trust, and the trust creditor purchases insurance in said owner's name without notice or knowledge that he has conveyed his title thereto, and a fire oc-

curs, and the insurance company, in settlement of the loss, pays the whole trust debt, it is entitled to an assignment thereof and to be subrogated to the rights of the trust creditor.

Same—Insurance Interest—In such case, after such conveyance, such grantor has no interest in such real estate, except as to his vendor's lien, and he has no other insurable interest therein.—*Baker v. Monumental Savings and Loan Assn. et al.*, 52 *S. E.* (*Va.*) 403.

Goods—Removal Before Loss—Where a fire policy only provided that the company should not be liable beyond three-fourths of the actual cash value of personal property at the time any loss or damage occurred the removal of a part of the goods insured from the building before the fire, outside of the usual course of business, was not such a fraud on the insurer as discharged it from liability on the policy.

Cause of Loss—Negligence—Where a policy contained no stipulation exempting the insurer from liability in case of loss through the negligence of the insured, it was error, in an action thereon, to charge that, if the loss occurred "either through the negligence of the assured or was the result of his own wrong," the insurer would not be liable.

Stipulations — Construction — A provision of a fire policy that the insurer should not be liable for loss caused by the neglect of the insured to use all reasonable means to save the property at or after a fire, or when the property was endangered by a fire in neighboring premises, only required the exercise of care in saving the property at or after a fire, and prevented a recovery for loss of so much of the property as could have been saved by the insured by the exercise of due care.—*Beavers v. Security Mutual Ins. Co.*, 90 *S. W.* (*Ark.*) 13.

LIFE.

Life Policy — Action — Question for Jury—Rev. Laws, c. 118, Sec. 21, provides that no misrepresentation or warranty in the negotiation of a life policy shall be deemed material or defeat the policy, unless made with actual intent to deceive, or unless the matter increased the risk.

Held—That the question whether a representation by insured in an endowment policy that he was 22 years of age, when in fact he was 30, was made with intent to deceive or increased the risk, was a question for the jury.—*Coughlin v. Metropolitan Life Ins. Co.*, 76 *N. E.* (*Mass.*) 192.

Premiums — Default in Payment — Lapse of Policy—Waiver—Lapse of a life policy from default in payment of premium when due is not waived by the insurer depositing a check therefor without knowledge that, when received, insured was dead.

Same—Indorsement of Commission on Premium Note—A life policy taken out by an agent of the insured, who by reason of such agency was entitled to a commission of 65 per cent. on the first annual premium, is not put in force for 6 months by reason of the indorsement of the 65 per cent. on his 30-day note for the first annual premium, under the provision of the policy that, though the contract of insurance is based on the receipt of premium annually in advance, the premiums may be paid in semi-annual or quarterly installments, in advance, a semi-annual installment to continue the policy in force only 6 months, and a quarterly installment only 3 months; such indorsement not being a quarterly or semi-annual payment, in the meaning of the policy.

Action on Policy—Burden of Proof—Plaintiff in an action on a policy has the burden of proof; the petition having alleged the policy was in force at death of the insured, the answer having alleged the policy lapsed for non-payment of the premium note, and the reply having alleged a waiver of the forfeiture.—*Franklin Life Ins. Co. of Ill. v. McAfee*, 90 *S. W.* (*Ky. App.*) 216.

Insolvency—Payment of Policy Holders—Under Gen. St. 1902, Secs. 3607, 3611, providing that securities deposited by an insurance company shall be held in trust by the State Treasurer for the policy holders, with the right in the company to collect and receive the interest and dividends thereon, and directing that the receiver shall administer the trust fund invested in such securities for the benefit of the policy holders under orders of the court, on the application of the receiver of an insolvent insurance company, a direction by the court, that the accrued interest on the funds received from the State Treasurer and the principal be applied as a trust fund for the policy holders was proper.

Same—Working Capital—Application—10 Sp. Laws, p. 616, provides that an insurance company shall have a working capital, which shall be liable for the payment of mortuary claims when the mortuary or other fund for the payment of such claims is insufficient, and any assets or property of the association may be taken for the payment of the same. The constitution and by-laws of the association provided for separate funds derived from different

sources, each having its separate treasurer, and each chargeable with certain liabilities, and that the secretary of the company shall pay to the treasurers of the respective funds the money belonging to such fund, and shall pay the expenses from the expense fund of the association.

Held—That where the receiver of an insolvent insurance company has received, in addition to the state treasury fund, moneys derived from judgments against stockholders for the amounts due on their stock subscriptions, such sums belong to the working capital, and, it having been reduced below the required amount, the policy claimants have the exclusive right thereto.

Same—Application of Assets—Statutes—Gen. St. 1902, Secs. 3546, 3554, providing that the superior court may direct the application of avails of certain assets and property equitably in satisfaction of claims proved against an insolvent company, and directing the insurance commissioner, after payment of expenses, to apply the avails of assets to the payment of claims allowed against the company, do not authorize the court or commissioner, in applying such assets, to disregard the equities created by statute and the charter and by-laws of the company.

Same—Policy Holders—Liability to Creditors—The policy holders of an insurance company are not liable as partners to the creditors; it being a stock company, and the management of its affairs being in the hands of directors and officers chosen by the stockholders.—*Betts, Insurance Commissioner, v. Connecticut Life Ins. Co.*, 62 *Atl.* (*Conn.*) 345.

Forfeiture—Failure to Pay Premiums—Waiver—Where a certificate of life insurance provided that all benefits thereunder should be forfeited upon failure of the insured to pay the premiums as therein stipulated, and that no agent was authorized to alter the discharge contracts, waive forfeitures, or receive premiums in arrears beyond the time provided in the conditions and provisions of the policy, the custom of a mere collecting agent of the insurer with reference to the collection and payment of the premiums, if contrary to the terms of the policy, would not prevent a forfeiture thereof for a failure by the insured to comply with its conditions as to the payment of premiums, where such custom was neither authorized nor ratified by the insurer.—*American Assurance Association v. Hardman*, 52 *S. E.* (*Ga.*) 536.

Insurance—Agreement for Policy—Rescission—Plaintiff delivered an application for a life policy and a note for the first premium to the agent of an insurer, pursuant to an agreement that the same were to be deposited in a bank until plaintiff was satisfied that everything concerning the negotiations was right.

Held—That plaintiff, if not satisfied with the proposed contract, could rescind the agreement and demand the return of his note.

Trover and Conversion—Conversion of Note—Measure of Damages—Where a note was converted and negotiated before maturity, the measure of damages was the face value of the note, together with the interest provided for.

Same—Judgment—A judgment for the conversion of a note may include interest on the note from its date to the rendition of the judgment, regardless of whether the note provides for interest or not.

Appeal—Excessive Verdict—Review—The objection that a verdict is excessive cannot be raised for the first time on appeal.—*Hubbard v. State Life of Indianapolis*, 105 *N. W.* (*Iowa*) 332.

Life Policy—Completion of Contract—Delivery of Policy—Evidence—An applicant for life insurance gave the agent his note, on an understanding that it should be accepted as payment of the first premium. The application was rejected, and the agent then arranged with another agent for the making of an application to the latter's company on an understanding that, in case of acceptance, the note was to be discounted and used to pay the premium. The policy was issued, and provided that the company incurred no liability until delivery and payment during the good health of insured. The policy was delivered to the agent for the first company, who delivered the note to the other agent; but, subsequently learning that insured was ill, a redelivery of the policy and notes took place between the agents and the policy was returned to the company.

Held—That there was no contract of insurance.—*Hill's Adm'r v. Penn. Mutual Life Ins. Co.*, 90 *S. W.* (*Ky. App.*) 544.

Application Signed in Blank—When Applicant Is Bound by Statements—An application for a policy of life insurance was signed in blank by the applicant, and delivered in this condition to the agent of the defendant company, with the understanding that the agent should fill in the answers to the questions from information contained in a previous application for insurance, which had been made out in the applicant's presence and signed by him. The second application, as filled out by the

agent, was forwarded to the company, and the policy in suit was issued thereon and afterwards delivered to the applicant, now deceased, and was accepted by him.

Held—That if the agent of the company filled in the second application in accordance with the terms of the first one, then the applicant would be bound by it; but if the agent filled in the second application with answers that were not contained in the first one, or put them in differently from what they were in the first, then the applicant would not be bound by them, because they would be the answers of the agent, and not the answers of the applicant.

Same—Construction of Application— It is a sound rule of law that an application for life insurance, signed in blank by one desiring insurance, and filled in by the company or its agents, should be construed more favorably to the applicant.

Same—Successive Applications—Identity of Answers—Upon an analysis of the two applications the most that can be said with respect to their identity is that, if the applicant had read or been personally interrogated with respect to the questions and answers in the second application, he might have answered the same as he did in the first, and he might have answered in an entirely different way. The answers in the second application cannot, therefore, be said to be such necessary inferences from those contained in the first as to be regarded as a statement of the applicant, and therefore binding upon him.

Avoidance of Policy — Misrepresentations—Burden of Proof—In order to defeat the claim of a person insured, who has paid the consideration required for the insurance received, upon the ground that the insured made misrepresentations as to the risk in his application, it is incumbent upon the company to show that the misrepresentations were his, and not mistakes or misrepresentations of its own.

Same—Application—Preparation by Insurer—When an insurance company or its agents undertake to fill in an application from a previous application or statement made by the applicant it should be held to the strictest adherence to the terms of such application or statement made; otherwise, it would be in the power of the company or its agents in such a case to fraudulently destroy the legal status of the policy so obtained.—*Hervey v. Metropolitan Life Ins. Co.,* 62 *Atl.* (*Me.*) 600.

Premium Note—Renewal—Action—Defenses—Where a policy of insurance contained a provision that "the failure to pay any of the first three years' premiums, or any notes or interest upon notes given to the company for any premium or part of a premium, on or before the days upon which such premiums, notes or interest, shall become due, shall avoid and nullify this policy without action on the part of the company or notice to the insured or beneficiary, and all payments made upon this policy shall be deemed earned as premiums during its currency," and where a note was given for the first year's premium, and when it became due it was not promptly paid, but was afterwards, during the year, renewed, and the renewal note was accepted by the company and suit brought on it by an indorsee of the company, this operated as a waiver of forfeiture of the policy for non-payment at maturity of the note first given for the annual premium, and it furnished no defense to a suit on the note that the renewal took place some time after such maturity.

Default in Premiums — Waiver — Whether or not the agent of the company, who represented to the defendant that the policy would not be void, but would remain in force upon giving the renewal note, had authority to waive the forfeiture, the acquiesence in the renewal of the company, and its receipt of the second note and claiming the right to transfer it by indorsement, operated as such waiver.

Bill and Notes—Indorsement—Action by Indorsee — When a promissory note was indorsed by the payee or by an indorsee from the payee to another "for collection only," the indorsee had such a legal title as would authorize him to bring suit upon the paper in his own name.

Same—Evidence—Unless denied on oath, an indorsement need not be proved, although the name of the indorser purports to have been signed by an agent, and the action is against the maker.—*Neal v. Gray,* 52 *S. E.* (*Ga.*) 622.

Application — Binding Receipt — Contract—An application for a life policy was made on a printed form with none of the blanks filled,, and provided that it was the basis and part of a proposed contract for insurance which should not take effect until the first premium had been paid during the continuance of the insured in good health and until the policy should have been issued. As a part of the same transaction and at the same time a binding receipt was executed, wholly in writing, reciting that the applicant had paid to the soliciting agent a certain sum, and that such agent had furnished the applicant with a binding receipt therefor, making the insurance in force from that date, provided that the application should be approved and

the policy be duly signed by the secretary at the head office of the company and issued, and that such policy, if issued, should take effect as of the date of such receipt.

Held—That the receipt controlled the application, which being accepted, a binding policy of insurance was created, though the policy was not actually issued at the home office of the company until after assured had died, and for that reason was never delivered.

Same—Agent's Authority—Where a soliciting agent for an insurance company executed a binding receipt to an applicant for insurance, making the insurance in force from the date of the receipt, providing the application was accepted, and the policy issued, the insurer was not entitled to deny the authority of such soliciting agent to make such a contract, in the absence of notice of a limitation of the agent's authority to the applicant.—*Starr v. Mutual Life Ins. Co.*, 83 *Pac.* (*Wash.*) 116.

Evidence—Parol—Varying Terms of Policy—Where an insurance policy provided that the premiums should be due and payable quarterly on the 16th of the month, evidence that it was agreed, at the time the policy was issued, between insured and insurer's agent, that the premium should not be due until after the 20th of the month, was inadmissible to vary the terms of the policy.

Insurance—Premiums—Payment—Extension of Time—Authority of Agent—Where a policy of insurance provided that no premiums in arrears could be received, except by agreement in writing signed by certain officers of the society, an agent employed or authorized to collect an overdue premium had no authority to bind the insurer to grant an extension of time to pay such premium.

Same—Estoppel—A policy provided that general agents had no authority to extend the time for the payment of premiums, but a rule of the company authorized acceptance of overdue premiums between the due date and that when the premiums receipt must be returned for cancellation, unless paid, provided the superintendent can certify that the former insured is in good health. An agent authorized to accept an overdue premium went to the house of insured to collect the same, and without authority agreed to accept the premium on the succeeding day, requesting the insurer's assistant superintendent to collect the same, which he agreed, but failed, to do, and on such day insured was sick from the illness of which she died.

Held—That such facts did not estop the insurer from enforcing a forfeiture of the policy for non-payment of premium.

Evidence — Competency—Conclusions—In an action on a policy, questions as to whether insured would have paid the premium on the day it was demanded in case she had been told that the policy would otherwise be forfeited, and whether it was not the duty of the agent of the insurer to collect the premiums at insured's residence after the time for payment had been extended, were incompetent, as calling for conclusions.—*Metropolitan Life v. Hall*, 52 *S. E.* (*Va.*) 345.

Life Policy—Assignment — Insurable Interest—Presumption—Where plaintiff assigned a life insurance policy to testator to secure an indebtedness, present and prospective, from insured to testator, the burden was on the executrix, claiming the proceeds of the policy under such assignment, both to allege and prove an existing indebtedness; there being no presumption that testator had an insurable interest in plaintiff's life sufficient to sustain the assignment.—*Troy v. London*, 39 *S.* (*Ala.*) 713.

CASUALTY.

Accident Insurance—Condition of Policy—Breach—Burden of Proof—Where, in an action on an accident policy, plaintiff proved that insured died of violent injuries which left visible marks on his body, the burden was on the defendant to show that the injuries resulting in insured's death were caused by the violation of some of the expected causes in the contract, creating a forfeiture of the insurance.

Same — Policy—Construction—Where an accident policy provided that it should not cover injuries sustained while insured was on any railroad bridge or "right of way," except at established crossings of such roads with public highways, the term "right of way" should be construed as meaning the way or track on which trains travel, and not the entire width of the railroad company's ground.

Evidence—Res Gestae—Deceased, with certain associates, went to a depot in the early morning intending to take a certain train. Deceased left his associates, and after the train was gone he was found with both arms so mangled and crushed that amputation was necessary, and he died within 36 hours after the accident. Within an hour after the accident he made a statement that in attempting to go round the end of the train he fell, struck his head against a railroad tie, which rendered him unconscious, and when the train pulled out

he discovered that he had sustained the injuries in question.

Held—That such statement was not so remote from the time the injury occurred as to render it inadmissible as res gestæ.—*Starr v. Aetna Life Ins. Co.*, 83 *Pac.* (*Wash.*) 113.

HEALTH.

Health Insurance—Policy—Provisos—Construction—Where a health policy insured against certain named diseases, including blood poisoning, and a proviso declared that the policy should not apply to any disease which was the result of injury, the proviso was inoperative as to blood poisoning, which always results from injury.—*Jones v. Pennsylvania Casualty Co.*, 52*S. E.* (*N. C.*) 578.

NOTES OF THE MONTH.

Fire.

The Rochester German increases its capital $300,000, making the total $500,000.

The board of directors of the Home Insurance Company, New York, on February 13th appointed Charles L. Tyner secretary of the company, and he at once entered upon the duties of his new office.

The New Zealand Fire Insurance Company recently hypothecated $575,000 of its assets and 25,000 of its shares to purchase the New Zealand Accident Insurance Company. Government opposition to home fire insurance companies in New Zealand will, by degrees, probably force the latter's capital into other lines and leave the state without competitors in the business of fire insurance.

The Hartford, after providing for all expenses and losses, shows a trade profit of $2,540,719. The large amount of new business written last year necessitated the apportionment of $1,086,511 of this sum to the reserve account, which still leaves an underwriting profit on the year's operations of $1,454,208. During the 96 years of its existence the Hartford, always popular, never stood higher in the esteem of the American people than it does to-day.

In marked contrast to the handsome compliment paid by it to the San Francisco fire department, the Committee of Twenty of the National Board of Fire Underwriters maintains that while the department of Portland, Ore., is under able officers it is only moderately efficient. The engine companies are few in number and poorly manned and only two engines are approved. Altogether, the city is pronounced to be in a bad way from a fire hazard standpoint.

John E. Hendry has accepted the position of Western manager of the Southern of New Orleans, Armenia of Pittsburg and Houston Fire and Marine of Texas, resigning the general agency for Chicago and Cook County of the Royal Exchange to do so. The Austin Fire of Texas will also enter the agency with three other Texas companies behind it, with assets exceeding $1,000,000 and net surplus of $500,000. Arrangements are being made whereby the assets and net surplus of the Armenia will be about doubled. Application has been made for these companies to work together in Minnesota, Missouri, Ohio, Illinois, Indiana, Michigan and Wisconsin. The combination has excellent reinsuring facilities.

Life.

The Columbian National increases its capital to $1,000,000, all of which is paid in.

The Mutual Life will establish three independent agencies in Chicago, a clearing house and generally remodel its plant in that city.

E. R. Tillinghast, well known in the field, succeeds E. W. Scott, Jr., as superintendent of the Provident Savings Life's agency department.

At the annual meeting of the Columbian Life Vice-President Francis P. Sears was elected comptroller and William H. Brown was appointed treasurer in addition to his office as secretary.

The Pacific Conservative has sent Edwin D. Boldman to New York City as manager of several States. The company's New York City life branch has been placed in charge of R. M. Beckley.

It is said that the Security Life and Annuity of Philadelphia contemplates moving its home office to Chicago. The company's business in the West has assumed such importance that it will probably be to its advantage to move its base of operations to closer proximity.

By decreasing home office salaries $59,874, home office expenses $79,573, agency expenses $186,630, and otherwise effecting a saving in expenditures over the previous year of $516,259, the Washington Life succeeded last year in adding nearly $6,000 to its assets in excess of the sum thus saved.

Twenty-eight of the thirty insurance commissioners who recently met in convention to regulate insurance companies were appointed for political reasons and only six of the number had had any ex-

perience in insurance. Of these six, three had been soliciting life insurance agents and three were ex-fire insurance men.

The Union Mutual Life Insurance Company of Portland, Maine, has practically doubled in size since 1893. In that year its premium income was $964,201; last year it was $2,316,091. In 1893 it had 19,164 policies in force; today it has exceeding 46,000. Its advance has been steadily made on conservative lines and at 57 years of age it is a young giant in strength and vigor.

Gibraltar of the Insurance World.

The life insurance company which has the "strength of Gibraltar" has given one more proof, if proof were needed, that the use of the phrase is well warranted. The Prudential's financial statement for 1905, just issued, shows that the company had one of the greatest years in its history. Large increases are reported in all branches of the business which make for strength and returns to policy holders. The amount of insurance in force now stands at $1,170,000,000, and the number of policies in force has reached a total of nearly six and one-half millions.

Of great importance to policy holders is the fact that the assets now foot up to $107,000,000, an increase of over $18,000,000 for the year; the liabilities are less than $91,500,000 (including over $88,000,000 reserve held to protect policy contracts), leaving a surplus of $16,000,000. Ten years ago the assets were only about $15,000,000 and the surplus about $3,000,000, which shows at what a prodigious rate this energetic young company has grown. When it is remembered that the sixteen million dollars surplus represents so much margin for the protection of policy holders' interests, the strength and stability of The Prudential as an institution are apparent.

It is also of great interest to note the voluntary payments to policy holders by The Prudential over and above the requirements of policy contracts exceed $6,000,000. In other words, although the regular industrial policies now issued by The Prudential provide for dividends and additional benefits, the policies issued years ago contained no such provision. Nevertheless the company places the old and the new policies on the same liberal footing. The payments to policy holders last year were over $14,000,000 and the total payments since organization more than $107,000,000.

It is also noted that there has been a reduction in the expense rate amounting to over 2 per cent. of the premium income; that a large and increasing proportion of the company's assets consists of railroad and other bonds of the highest grade, as well as several thousand first mortgages on improved real estate, and that the amount of cash held by the company is distributed among 274 banks and trust companies throughout the United States. The company paid over one million dollars in dividends to policy holders last year, and had a decreased death rate, due to care in the selection of risks.

The accuracy of the company's records has been certified to by a firm of public accountants of international reputation. The showing is altogether an excellent one; no such results have hitherto been achieved by any company of the same age; and they can only be attributed to thoroughly sound and upright business methods, coupled with keen enterprise, and one does not need to go further than this cause to account for The Prudential's great success.

In commenting on the great record of 1905, President Dryden states that the voluntary testimony given by The Prudential's officers before the Armstrong Committee strengthened the confidence of the public in the company.

Death of Edmund Vore Haskell.

With but a few days' warning, in the very springtime of life and expectancy, surrounded by proud and loving parents, a world of friends and all else that goes to make existence charming to an affectionate and lovable nature, Edmund Vore Haskell is gone that journey of mystery and silence from which no message ever comes back to comfort and console.

"Vore," as those who knew him best were wont to call him, was the only son of W. W. Haskell, for many years Coast manager of the Travelers Insurance Company, who, with his wife, has the sincere sympathy of all whose privilege it is to know him. At the time of his death the deceased was connected in a confidential and responsible capacity with the National Bank of the Pacific, this city, where he was warmly esteemed both for his ability and character. He was a member of Eden Lodge, F. & A. M., of San Leandro, and was buried early last week from the Alameda Masonic Temple.

Although the official headquarters of the Continental Life Insurance and Investment Company remain at Salt Lake City, all policies will be written and the business directed from the San Francisco office.

A Distinction the Frenzied Will Do Well to Note.

The frenzied speculators, to whom all accumulated funds are alike, and which, wherever they exist, are looked upon with covetous eyes, and sought after by scheming brains for exploitation, have probably learned little from the occurrences of the past four months. They have been indifferent to the public indignation and disgust. In the face of the just condemnation of speculation by life insurance managements with life insurance funds, notwithstanding the fact that such speculation involved only the possible loss of the surplus funds held by the management without accountability, and consequently involved no danger to the solvency of the companies, they have schemed for and secured control of the Washington Life and the Equitable * * * But let them beware the time they lay felonious hands upon the reserve funds of these companies. They have robbed the people by the sale of watered stocks and bonds, by monopolizing railroads, manufacturing industries, natural products; they have aimed at a most vicious shipping monopoly, and the patience of the people has not yet been exhausted, but it will be dangerous for them to purloin life insurance reserves which are the people's savings—muscle, sweat and heart's blood coined into money —to guard and protect their beloved dependents. Let them take heed lest, in tampering with these funds they rouse the now sleeping devil that grows animate and irresistible in the surging and swaying mob. We do not believe they will dare invite, by such wickedness of greed, the savage justice of the enraged multitude. But so long as surplus funds exist for which there is no managerial accountability Wall street greed will covet life insurance company control, and with its present opportunities it is likey to get what it wants.

A SEA WALL AGAINST BREAKERS.

The shrewd men of Wall street foresee, as others do, the coming panic. They dread the possibility of its being the greatest ever known in this country. It may come suddenly, swiftly and soon. It may approach gradually and be delayed a year or two, but it is certainly coming and cannot be delayed beyond the time when there shall be a marked crop failure, a great falling off in transportation traffic and a heavy balance of trade against us.

The explanation of Wall street's gigantic grab for the control of the billions of dollars of life insurance assets is that the funds are to be made useful to the frenzied financiers, the manipulators of great transportation corporations and industrial trusts in the coming time of need. When the panic comes and heavy profits are turned into serious losses, and the need for money shall be pressing, railroad companies will have their miles of track and their rolling stock, but these will not pay bills, nor, in a period of serious panic, will they be available as security with which to procure needed cash. Industrial trusts will have their plants, stock, manufactured and unmanufactured, real estate and mines; but these will be no more available for cash in the open market than the property of the transportation companies. There will be great need for the operators of these enterprises to have some purchaser under their control with unlimited means, upon whom they can unload their securities and get its money in return. Hence it is that the Wall street contingent has been scheming for control of the great life insurance companies, with $1,200,000,000 of assets and their more than $150,000,000 of surplus, which the management may dispose of at will without liability of an accounting and without affecting the solvency of the companies, and with their annual incomes of $300,000,000.

In prosperous times, when confidence abounds, all their absolute needs are met by the credit system and by existing banking facilities; but when the stress of panic comes the banks in touch with Wall street and under its control will be denuded of the heavy deposits they now carry, and their ability to bolster these enterprises and supply them with cash will lessen as the need grows. At present six such banks, including the City Bank, controlled by Standard Oil, and the Hanover, in close alliance with J. P. Morgan & Co., have balances belonging to National banks scattered over the whole country of $201,000,000, and to savings banks and trust companies of $194,000,000. When the panic comes, and money becomes scarce and high; when doubters begin to hoard it, and the outside banks are feeling the stress of heavier drafts and lighter deposits, in many cases of wholly depleting runs, the bulk of the nearly $400,000,000 will be withdrawn from these banks. Perhaps as much more will be withdrawn from other New York city banks, dealing more or less with the Wall street magnates.

Then the frenzied financiers, the peddlers of watered stocks, the manipulators of corporations capitalized far beyond the real value of their property and cost of its production or purchase, who in prosperous

times exact millions from the people as tribute, will need to fall back upon the life insurance millions to purchase their securities and hold them until returning confidence and favoring conditions bring on another era of prosperity. In the meantime these securities will be much depreciated in actual value for sale in the open market, and there will be a process of reorganization which will mean the utter loss of some securities and the scaling down of many others. It is for the policy holders of mutual companies to say whether they will permit the Wall street gamblers, the speculative sharks, the watered stock looters, to whom they would not think of entrusting their own interests and property, to have control, through officials and directors, of the funds of their insurance companies. It is worth while for them to organize to prevent the election to a directorship or trusteeship of any tainted Wall street magnate, any frenzied financier, any politician of the machine order, or any one not believed to be a man of incorruptible integrity and with a record of the most stringent business conservatism. It is not a time for letting well enough alone. It is not a time for dalliance with ease and comfort. The unhallowed hands of the greediest lot of scheming robbers the world has ever known, wretches as heartless as the bloodiest pirate, with an appetite for loot as greedy as the shark's for flesh, without conscience or self-restraint, have been laid upon the corporate control of sacred funds, consecrated to the most hallowed use, the protection of the widow and the orphan.

Policyholders of such companies as are doing business on the mutual plan, but are controlled by their stock capital, such as the Equitable and the Washington Life, ought to demand the most absolute guarantees that their assets shall not be exposed to risk by being used to bolster up Wall street in its coming years of need. To this end they might very properly organize and demand, if necessary, upon the alternative of the termination of their policies, that there be organized an advisory board of policyholders, with power to approve or disapprove of all proposed investments. They might also agitate for legislation providing for such policyholding supervision. The funds belong to the policyholders. Why should they not have a voice in saying how they shall be invested? And why, above all things, should money contributed by the masses for the protection of their beloved dependents be made the means of fastening upon these masses a most galling and despicable servitude? Under existing conditions the readjustments caused by hard times have been the only checks upon concentrated wealth. Give us a quarter of a century of present business conditions and prosperity and a score of men would be the controlling owners of all banks, railroad companies, insurance companies and manufacturing enterprises, with heavy holdings in agricultural real estate. In other words, they would hold in the hollow of their hands the financial destiny of the United States, and the labor of every living man would tend to increase their wealth and power.

It ought to be seen to, and seen to at once, that the enormous assets held by the life insurance companies are not made available to further the enrichment of millionaires and the enslavement of those to whom the funds belong; that these funds shall not be imperiled to save the fortunes of the rich, that they shall not with Midas' touch transmute water into gold, nor perpetuate the process of fictitious capitalization and the seducing of gold into the pockets of looters for stock certificates or bonds which would be worthless as the paper on which they are printed but for the power of legalized graft to exact tribute from the people to pay dividends and interest upon these inflated securities representing nothing but the incapacity of the masses to protect themselves from the extortions of the shrewd and unscrupulous.—B. F. Hughes in Insurance Register.

Sensible Conclusions by Rufus W. Wicks.

An element called "loading" is put into the premium charged for life insurance, mainly to provide for expenses. Now, the very constitution of human nature is such that these expenses are, of necessity, and must always be, of two distinct categories: first, those made necessary by the tremendous effort of inducing the average unwilling individual to insure his life; and, second, those expenses necessary for keeping the institution running. It lies, therefore, in the very nature of things that there must be a heavy expense at the outset of the contracts, and much lighter expenses afterwards. A true formula for loading would certainly take into account this dual expense necessity, and would consider the first premium as containing a much higher loading or provision for expenses than the subsequent premiums. The erroneous assumption that expenses are evenly continuous has put the State into a singular position intellectually and morally. The State creates a corporation known as a life insurance company. For what purpose? To insure lives, of course. But, now, human nature is such that the only

way for the corporation to insure lives is to pay men for inducing the insurable to become insured. When the necessary payments are made for this purpose out of the first year's income of the corporation, there is not, and cannot be enough money left to equal the reserve which the State requires the company to hold. The State, therefore, declares its own creation bankrupt for the very act for which the State brought it into being. Let us hope that the present time, while the people and the legislative power are turning their special attention to life insurance, will be availed of for doing away with this reproach.

The principle of the level net premium reserve holds in Europe as here, in law and in custom; and, under the annual dividend system, there as here, the pernicious effect is that a large new business automatically reduces the returns to the old policyholders. This is an injustice as well as a deterrent to the active performance by a vigorous company of its function of insuring lives. Only by a method of accounting which sharply distinguishes the two categories of expenses, and strictly charges the year's intake of new policyholders, can the interests of the old policyholders be kept unaffected by the greater or less number of the new. Only by such a method, therefore, can justice be done, and, at the same time, expansion not be hampered.

Another Book by Miles M. Dawson.

"The Business of Life Insurance," from the pen of Miles Menander Dawson, the well known actuary and insurance expert, is a concise and comprehensive treatise of the subject that will interest everybody in any way connected with the business, and is particularly valuable to the layman. It explains in a clear and interesting manner the principles and operation of life insurance, and should be read by those who have in comtemplation an investment of this character. Mr. Dawson is a forceful writer, and well qualified to handle his subject in a fair and impartial manner, which he does unhesitatingly. Its wide circulation will be of benefit both to the public and honest life insurance generally. It is handsomely bound in cloth, and can be had at the business office of the ADJUSTER on the payment of $1.50.

Many life officials don't feel resigned.—Exchange.

But not a few of the best of them are resigned, nevertheless. More's the pity!

John A. McCall.

The death of John A. McCall brings sorrow to all who knew him. and the truest morning will come, unquestionably, to the unprejudiced minds that have kept in touch with the development of life insurance during the past decade.

During the period of his presidency of one of the most beneficial institutions that the world has ever known the expansion, popularity and success of the business increased at a pace hitherto unknown, and his individual effort was largely responsible for this condition.

It was largely, if not entirely, owing to his wisdom and effort that the New York companies were led to adopt a non-forfeitable contract. When he assumed the presidency, in 1892, not a single New York company was issuing a policy with an absolute non-forfeitable feature. True, the State law required that in case of lapse a policyholder should be entitled to paid-up insurance for whatever his reserve would purchase, but this went to him only upon written request if made within a period of six months and accompanied by the original policy.

Another feature of the policy was improved by Mr. McCall. When overtaken by financial reverses and in dire straits for money the policyholders' only recourse was the professional money lender, who charged from one to two per cent per month interest. The policy introduced by Mr. McCall was not only automatically non-forfeiting, but guaranteed the insured the privilege of borrowing money direct from the company at 5 per cent per annum interest.

McCall was the pioneer, and to-day all companies have these features in their policies.

The life insurance world and the world at large is the better for his living, and it may in truth be said that in the end he suffered much that the cause of life insurance might be still further advanced.

The Mutual Life Last Year.

In the face of the strongest opposition and criticism that any company has ever been subjected to by a yellow press, the Mutual Life Insurance Company makes a statement of last year's business that exhibits a gain in assets over the previous year of $29,882,794.74; an increase in insurance in force of $41,937,808, while expenses show a decrease of $1,335,906.70. At the beginning of the year the total assets of the company were $470,861,165.

STATEMENT

OF THE CONDITION AND AFFAIRS OF THE

Phenix Insurance Company

OF BROOKLYN, N. Y.

31st Day of December, 1905

Cash Capital - - - - $1,000,000.00

ASSETS

Real Estate owned by the Company	$ 401,404 39
Loans on Real Estate	46,600 00
Cash Market Value of all Stocks and Bonds owned by Company	6,512,169 82
Amount of Loans secured by pledge of Bonds, Stocks and other marketable securities as collateral	61,425 00
Cash in Banks	643,752 43
Interest due and accrued on all Stocks and Loans	9,524 39
Interest due and accrued on Mortgages	1,000 00
Premiums in due Course of Collection	917,666 64
Rents due and accrued	3,362 43
Total Assets	$8,859,128 89

LIABILITIES

Losses in process of Adjustment or in Suspense	$ 370,302 93
Losses resisted, including expenses	28,465 00
Gross Premiums on Fire Risks, running one year or less, $3,603,179.12; re-insurance 50 per cent	1,801,589 56
Gross Premiums on Fire Risks, running more than one year, $6,697,632.66; re-insurance pro rata	3,547,154 73
Due and accrued for salaries, rent, etc.	4,332 00
All other liabilities	6,775 16
Total Liabilities	$5,758,619 38

INCOME

Net Cash actually received for Fire Premiums	$5,998,424 68
Received for interest on Loans and Mortgages	6,144 43
Received for interest and dividends on Bonds, Stocks, Loans and from all other sources	213,973 00
Received for interest from other sources	550 84
Received for Rents	40,856 71
Profit on sale or maturity Ledger Assets	54,187 93
Total Income	$6,314,137 59

EXPENDITURES

Net amount paid for Losses (including $212,535.98, losses of previous years)	$2,954,238 54
Dividends to Stockholders	150,000 00
Paid or allowed for Commission or Brokerage	1,177,683 33
Paid for Salaries, Fees and other charges for officers, clerks, etc.	441,819 76
Paid for State, National and Local Taxes	144,220 23
All other payments and expenditures	547,011 48
Total Expenditures	$5,414,973 34
Policy Holders' Surplus	**$3,100,509.51**

J. H. LENEHAN, General Agent

WESTERN AND SOUTHERN DEPARTMENT, CHICAGO, ILL.

A. C. OLDS, State Agent for Pacific Coast

Kohl Building, San Francisco, Cal.

A Word From Amicus.

Hayville, Nov. 15, 1905.

To the Editor of The Statement:

We hear a great deal in life relative to a "little nest-egg," but the majority of us find it impossible to retain the egg in the nest; somebody is everlastingly eating it up, or else, at the very moment when we are depending for sustenance upon the egg, we test it and find that it is simply chalk—that we have been "done"—a la white hen.

The country has been surfeited with sensational stuff relating to the life insurance companies that hold the "nest-eggs" of the people. There are more eggs in these nests than anywhere else on earth, and they are neither chalk nor addled nor cracked.

The trouble seems to me to be this: There are a lot of hungry people in the world, who have no eggs of their own providing, who are constantly looking at this vast aggregation carefully housed in the life insurance nests and wondering how they can get some of these, and when they are fooled they set to work and abuse the quality of the eggs.

There is a man in Boston who is continually yelling: "Let me have your eggs; I will set on them for you."

The wise man, however, looks up and says: "No, thank you, you are no chicken."

AMICUS.

The Eagle Fire.

The one hundredth annual statement of the Eagle Fire Insurance Company of New York is one of the best ever issued by this old company. The increase in assets effected during the year 1905 amounted to the tidy sum of $449,665.41; increase in reserves, $351,501.14; in net surplus, $98,164.27—bringing this important item up to $376,072.32.

The strength of the company is shown by the following additional items: Capital, $300,000; reserve for unearned premiums, $281,829; reserve for losses, $41,751; reserve for all other claims, $6,826; reserve for contingencies and taxes, $25,000—making total gross assets of $1,031,479.70.

The officers of the company are: Theo. H. Price, president; Melville E. Ingalls, Jr., vice-president; William G. Whilden, secretary and managing underwriter, and Samuel S. Walstrum, assistant secretary. The Eagle is represented on the Coast by A. G. Nason.

The Reliance Life Insurance Company is coming to California.

The Mutual's Northern California Field.

W. H. Hathaway has been given the management of the entire Northern California field for the Mutual Life Insurance Company, including the city of San Francisco, and will take charge of the office force in the company's building, corner of Sansome and California street.

F. C. Hathaway will assist in the management. Mr. Mitchell has resigned as cashier in order to accept a position as superintendent of the local field force and F. J. Rennie takes his place at the cashier's desk, with G. E. Kelly as assistant.

Case and Comment.

Insurance companies doing business in Iowa are held, in Carroll v. Greenwich Ins. Co. Advance Sheets, U. S. 1905, 66, not to be deprived of their rights under U. S. Const. 14th Amend., by Iowa Code 1897, Sec. 1754, making it unlawful for them, or their officers, agents or employes to make or enter into any combination or agreement relating to the rates to be charged, the amount of commission to be allowed agents, or the manner of transacting their business within the State, in the absence of any judicial construction of such statute as having any other than the single object to insure competition.

The Dornin Companies.

That the Pacific Coast department of the National and Springfield has kept pace with the splendid progress of these two companies elsewhere is seen by the following figures exhibiting their revenue under the management of George D. Dornin, ably assisted by George W., during the years 1895, 1900 and 1905:

1895—National	$207,458.41
Springfield	46,433.65
Total	$253,892.06
1900—National	$246,923.58
Springfield	133,666.95
Total	$380,590.53
1905—National	$355,897.77
Springfield	244,936.66
Total	$600,834.43

COAST NOTES.

F. R. Danforth has been appointed chief clerk by Insurance Commissioner E. M. Wolf.

C. F. Mullins, manager for the Pacific Coast of the Commercial Union and Alliance, is in London.

Edward Hall, who looks after the Royal Exchange's interest in the Northwest, was a visitor last month.

H. T. Lamey of the British America and Western, has returned home after a run through his agency field.

We have to thank the Atlas Insurance Company for one of its portfolio blotters, a convenient desk accessory.

Secretary Frudenfelt of the Queen City Fire has appointed Leo Pockwitz metropolitan agent for his company.

Thomas R. Fletcher has been appointed special agent for the Queen's Mountain Field department, with headquarters in Denver.

Catton, Bell & Co. are entering Nevada with the Union Assurance and Law Union and Crown. Special Agent Paul M. Henry is doing the hard work.

W. W. Hutchinson will come to San Francisco as manager of the Northwestern National Fire, a company said to have its home office in Milwaukee.

The Title Guarantee and Trust Company of Scranton, Pa., has placed its agency with John Robertson, recently agent of the United States Fidelity and Guaranty Co.

Harold F. Mills, formerly with the Pennsylvania Fire office under Manager Osborn, has accepted a position with the Phenix of Brooklyn in the San Francisco office.

E. L. Harmon of Portland was last month elected to the presidency of the Life Underwriters' Association of Oregon and A. S. Rothwell secretary and treasurer.

J. H. Lenehan, general agent of the Phenix Insurance Company, has appointed Z. M. Boyer special agent for the Northwest field, assisting Special Agent A. P. Lange, with headquarters at Portland, Oregon.

On Manager J. H. Lenehan's recent visit to the Coast he was accompanied by E. J. Murdock, special inspector and sprinkler expert of the Phenix of Brooklyn, who will remain to look over the company's sprinklered business on the Coast.

The friends of A. A. Andre, the fire insurance adjuster, for many years intimately associated with the agency firm of Edward Brown & Sons, will grieve to learn of his serious illness. So grave is his condition that consulting physicians hold no hope for his recovery.

After being with the Dornin agency for more than a decade, P. E. Gerould has accepted a position with the C. A. Henry & Co. office in the capacity of special agent and will do field work for the Sun Insurance office and the Michigan Fire and Marine in Washington, Oregon, Idaho and Montana.

President E. C. Jameson of the Globe and Rutgers was a recent visitor from New York. A telephone call from the St. Francis was the first intimation that the general Coast agency had of his proximity and this was almost immediately followed by a luncheon to General Agents Arthur M. and Bert Brown, after which Mr. Jameson resumed his journey southward.

The Metropolitan Life Insurance Company, under the management of Assistant Secretary Frederick E. Taylor, issued during 1905 more new business in the State of California than during 1904, and more than any other company transacting business in this State. It also made a larger gain in force of premium-paying business during last year than any other company operating in California.

The Washington Fire Insurance Company of Seattle, Washington, has planted an agency for the territory east of the Mississippi, excepting Chicago and vicinity, with Lenssen & Thompson of New York

Agency Positions

In two good Western States are open for up-to-date managers and personal writers. For particulars send age, occupation, reference and address to

The FIDELITY MUTUAL LIFE Insurance Company

L. G POUSE, President **PHILADELPHIA**

ALEXANDER McKNIGHT, Vice-President

City. The Washington Fire reports resources of $288,126, of which $200,000 is stockholders' notes, $35,172 first mortgages, $24,492 cash and the balance in premiums in course of collection. The Washington has $1,619,435 at risk according to its statement as of December 31, 1905.

John N. Russell, Jr., has been given the position of secretary of the Pacific-Conservative Life Insurance Company. Mr. Russell is thoroughly equipped for the performance of his new duties, being, like the balance of the executive staff of the company, a practical life insurance man, thoroughly in love with his work and in close sympathy with the field force, the producing element. After several years of special work among the agents of the Conservative Life, where his value was especially demonstrated, Mr. Russell was recently made superintendent of agencies. His promotion to the important office of secretary is in line with the policy invariably followed by President Tupper of making all promotions from the company's workers. The new secretary is a most genial gentleman and will be popular.

DUNCAN & REHFISCH

208 Sansome Street, San Francisco, Cal.

Phone Main 1238

GENERAL AGENTS FOR

German Fire Insurance Co.
OF PEORIA, ILL.

AND THE

Federal Union Surety Co.

Issue Fire Insurance and Surety Bonds of all Classes

The Columbian National Life Insurance Co.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS

PERCY PARKER	President
FRANKLIN W. GANSE	Vice-Pres. and Director of Agencies
FRANCIS P. SEARS	Treasurer and Vice-Pres.
WILLIAM H. BROWN	Secretary
C. V. FORNES, New York	Vice-Presidents
GEO. H. HOLT, Chicago	Vice-Presidents
JOHN D. DAVIS, St. Louis	Vice-Presidents
R. M. HOTALING, San Francisco	Vice-Presidents

Pacific Coast Department

524-536 James Flood Bldg.....San Francisco, California

WALKER and MacCOLL, Managers

Los Angeles Office, 605-6 H. W. Hellman Bldg.

The Home Insurance Company

OFFICE: No. 56 CEDAR STREET

NEW YORK

ONE HUNDRED-AND-FIFTH SEMI-ANNUAL STATEMENT

JANUARY, 1906

SUMMARY OF ASSETS

	Par Value.	Market Value.
Cash in Banks and Trust Companies	$	$1,180,287 05
Real Estate		1,543,892 06
United States Bonds	1,600,000 00	1,960,000 00
State and City Bonds	3,445,050 00	3,427,550 00
Rail Road Bonds	2,709,000 00	2,773,180 00
Miscellaneous Bonds	450,000 00	394,500 00
Railroad Stocks	5,278,500 00	7,953,725 00
Miscellaneous Stocks	330,000 00	511,000 00
Bank and Trust Co. Stocks	115,000 00	391,750 00
Bonds and Mortgages, being 1st lien on Real Estate		109,500 00
Premiums uncollected and in hands of Agents		993,668 77
		$21,239,052 88

LIABILITIES

Cash Capital	$3,000,000 00
Reserve Premium Fund	7,598,001 00
Reserve for Losses	783,047 08
Reserve for Re-Insurance, and other claims	837,503 46
Reserve for Taxes and other contingencies	300,000 00
Surplus over contingencies and all liabilities, including capital	8,720,501 34
	$21,239,052 88

Surplus as regards policy-holders, - - - **$11,720,501.34**

DIRECTORS

Levi P. Morton	Henry F. Noyes	Cord Meyer
Cornelius N. Bliss	Lucien C. Warner	Levi C. Weir
John H. Washburn	Dumont Clarke	John H. Flagler
Eldridge G. Snow	James B. Van Woert	Emmanuel H. A. Correa
George H. Hartford	John Claflin	Samuel D. Styles.

ELBRIDGE G. SNOW, President

EMANUEL H. A. CORREA, Vice-President — **AREUNAH M. BURTIS, Secretary**

FREDERIC C BUSWELL, Vice-President — **HENRY J. FERRIS, Ass't Secretary**

CLARENCE A. LUDLUM, Ass't Secretary

New York, January 9, 1906.

1806 1906

100th Annual Statement

The EAGLE FIRE COMPANY

OF NEW YORK

HOME OFFICE: BEAVER BUILDING, NEW YORK CITY

ESTABLISHED 1806 *CHARTER PERPETUAL*

Capital	$300,000.00
Reserve for Unearned Premiums	281,829.29
Reserve for Losses	41,751.85
Reserve for all other Claims	6,826.24
Reserve for Contingencies and Taxes	25,000.00
Net Surplus	376,072.32
Gross Assets	$1,031,479.70

Increase in Assets	$449,665.41
" " Reserves	351,501.14
" " Net Surplus	98,164.27

December 31st, 1905.

THE

HARTFORD

Fire Insurance Company

ORGANIZED 1794

Assets	$15,632,483.34
Surplus to Policyholders . . .	4,026,248.67

PALACHE & HEWITT, General Agents

Pacific Department 313 California Street : : : San Francisco

A. GILLILAND, Manager City Department

SPECIAL AGENTS AND ADJUSTERS

P. H. GRIFFITH J. J. DENNIS JOHN M. HOLMES W. O. MORGAN

W. W. GROVE C. E. MILLER GEO. E. DEVINE

"The Leading Fire Insurance Company of America"

Cash Capital

$4,000,000.00



Cash Assets

JANUARY 1, 1905

$16,815,296.87

INCORPORATED 1819

NET SURPLUS$ 7,036,010.93

Surplus as to Policyholders 11,036,010.93

Losses Paid Since Organization (87 Years) . . . $102,847,801.66

BOARDMAN & SPENCER, Gen'l Agts.

E. C. Morrison, Supervisor of Agencies.

Louis Mel, W. L. Gazzam, J. A. Murphy } Special Agents and Adjusters.

Office, 514 California St., San Francisco

1792 FOUNDED 1792 1906

114th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA

OF PHILADELPHIA, PENNA.

ASSETS	*January 1st*
Real Estate	$ 466,100 00
First Mortgages on Real Estate	627,488 39
New York, Boston, Montreal and Other City and State Loans	665,560 88
Pennsylvania, Philadelphia and Erie, Lehigh Valley, and other Companies' Bonds and Stocks	8,661,987 05
Cash in Bank and Bankers' Hands	1,190,373 42
Loans, with Collateral	244,000 00
Notes Receivable and Unsettled Marine Premiums	317,502 11
Net Cash Fire Premium in Course of Transmission	837,243 80
Accrued Interest and all other Property	14,627 20
Total Assets	**$13,024,882 85**

LIABILITIES	
Capital Stock	$ 3,000,000 00
Reserve for Re-Insurance	5,512,980 22
Reserve for Losses	806,900 00
All Other Liabilities	78,272 06
Contingent Fund	626,730 57
Surplus Over All Liabilities	**3,000,000 00**
	$13,024,882 85

RECEIPTS	
Fire Premiums	$5,301,568 15
Marine Premiums	1,864,864 69
Perpetual Deposits Received	19,669 50
Interest, Dividends and Rents	492,901 16
	$7,679,003 50

DISBURSEMENTS	
Fire Losses	$2,613,277 89
Marine Losses	1,222,232 01
Perpetual Deposits Returned	16,999 91
Miscellaneous Expenses, Supplies, Advertising, etc	574,250 16
Commissions, Agency Charges and All Other Expenses	1,722,750 49
Taxes	139,597 17
Dividends	360,000 00
	$6,649,107 63

CHARLES PLATT, President. EUGENE ELLISON, Vice-President.
BENJAMIN RUSH, Second Vice-President. GREVILLE E. FRYER, Sec'y and Treasurer.
T. HOUARD WRIGHT, Assistant Secretary. HENRY W. FARNUM, Marine Secretary.

Surplus to Policyholders, ... $ 6,626,730.57
Losses Paid Since Organization, . . . 123,838,099.36

PACIFIC DEPARTMENT: *California, Oregon, Washington, Montana, Nevada, Idaho, Alaska, Arizona, Utah, British Columbia, Hawaii and Philippines.*

Office: 212 Pine Street, San Francisco
JAMES D. BAILEY, General Agent

Mutual Reserve Life Insurance Company

OF NEW YORK

FREDERICK A. BURNHAM
President

GEORGE D. ELDRIDGE
Vice-Pres. and Actuary

Mutual Reserve Bldg., 305-307-309 Broadway
NEW YORK

New Paid-for Business Written in 1905,	$14,426,325.00
Increase in Surplus, 1905, - -	33,204.29
Interest and Rents (after providing for all Investment Expenses and Taxes) 4.15 per Cent. on Average Ledger Assets.	
Decrease in Expenses over 1904, -	84,300.00
Payments to Policyholders and Beneficiaries, 1905, - - -	3,388,707.00
Total Payments to Policyholders and Beneficiaries since organization, -	64,400,000.00

THE EXHIBIT OF FIRST YEAR'S EXPENSES SUBMITTED BY THE COMPANY TO THE LEGISLATIVE INVESTIGATING COMMITTEE SHOWS THE LOWEST RATIO OF EXPENSE TO EXPENSE MARGIN OF ALL COMPANIES DOING A GENERAL BUSINESS.

Capable Men, with or without experience, can secure the very best Agency Contracts—Address Agency Department. Industrial Agents, Address Provident Department, Mutual Reserve Building, 305, 307, 309 Broadway, New York.

Royal Exchange Assurance

OF LONDON, ENGLAND

Incorporated A. D. 1720

Fire and Accident Insurance

Cash Capital	$ 3,446,099.45
Surplus to Policyholders .	8,906,090.33
Total Assets	25,211,566.50

LOSSES PAID EXCEED $210,000,000

Austrian Phœnix

INSURANCE COMPANY

OF VIENNA

Cash Capital	$1,200,000.00
Surplus to Policyholders .	1,520,357.76
Total Assets	2,128,821.63

The Concordia Fire

Insurance Company

OF MILWAUKEE

Organized in 1870

Assets . . $1,007,939 Surplus . . $340,504

The Spring Garden

Insurance Company

OF PHILADELPHIA

Organized in 1835

Assets . . $1,505,479 Surplus . . $561,563

PACIFIC DEPARTMENT

501 Montgomery Street *San Francisco, Cal.*

DICKSON & THIEME, Managers

Armenia

INSURANCE COMPANY

OF PITTSBURGH
PENNSYLVANIA

Southern

INSURANCE COMPANY

OF NEW ORLEANS
LOUISIANA

ROBERT DICKSON
PRESIDENT

EXECUTIVE OFFICE:

80 Williams Street ∴∴ New York

What is the use...

OF SAYING

"the best company," or
"the strongest company," or
"the largest company?"

THEY ALL SAY THESE THINGS.
WE SAY SIMPLY

The Penn Mutual Life Insurance Company

OF PHILADELPHIA
Organized 1847

THAT TELLS THE WHOLE STORY!

E. H. HART, General Agent
Claus Spreckels (Call) Building
SAN FRANCISCO, CAL.

Pacific Coast Casualty Company

OF CALIFORNIA

HEAD OFFICE
Merchants Exchange Bldg., San Francisco, Cal.

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Burglary, Plate Glass Insurance

Paid up Capital - $200,000
Assets - - - - - 479,856

E. F. GREEN.....President
JOHN C. COLEMAN..... Vice-President
F. A. ZANE.....Secretary
ANT. BOREL & CO.....Treasurer

DIRECTORS

Antoine Borel, F. P. Deering, George A. Pope, Henry E. Bothin, E. F. Green, Henry Rosenfeld, Edward L. Brayton, I. W. Hellman, Jr., Adolph A. Son, John C. Coleman, William S. Tevis.

MARSHAL A. FRANK COMPANY, Gen. Agents for California

214-216 Kohl Building
San Francisco California

Casualty Company of America

Capital (cash), $500,000.00 Assets, $1,597,019.04

WRITING LIABILITY, ELEVATOR, WORKMEN'S COLLECTIVE, PLATE GLASS, STEAM BOILER DISABILITY AND ACCIDENT INSURANCE

Agents Wanted—Apply to

WILLARD O. WAYMAN & CO.

GENERAL AGENTS

Sansome and Sacramento Sts. San Francisco, Cal.

OLDEST PURELY FIRE INSURANCE OFFICE IN THE WORLD

FOUNDED  IN 1710

..Sun Insurance Office..

OF LONDON

Cash Assets, : $11,500,000 | Net Surplus, : $6,640,000

ESTABLISHED 1881

Michigan Fire and Marine

INSURANCE COMPANY

OF DETROIT, MICH.

Cash Capital, - - - - $400,000.00

PACIFIC DEPARTMENT Embraces: California, Nevada, Utah, Arizona, Oregon, Washington, Idaho, Montana, Hawaiian Islands and Alaska.

CARL A. HENRY & CO.

GENERAL AGENTS PACIFIC DEPARTMENT

215 Sansome Street San Francisco, Cal.

TOTAL ASSETS REPRESENTED
over $25,000,000.00

TOTAL LOSSES PAID
over $100,000,000.00



German-American Ins. Co.

OF NEW YORK.

ASSETS - - - $14,052,520.59
NET SURPLUS - - - $6,442,674.78

Phœnix Insurance Co.

OF HARTFORD, CONN.



ASSETS - - - $8,140,630.43
NET SURPLUS - - - - $2,382,270.52

German Alliance Ins. Co.

OF NEW YORK.

ASSETS - $1,485,286.15 NET SURPLUS - $629,131.54

New Hampshire Fire Ins. Co.

OF NEW HAMPSHIRE, N. H.

ASSETS - $4,069,140.67 NET SURPLUS - $1,252,267.06

GEO. H. TYSON, Gen. Agent 214 Sansome Street, S. F.
HERBERT FOLGER, Asst. Genl. Agent

Metropolitan Life Insurance Company

(Incorporated by the State of New York)

ASSETS, OVER - - $151,000,000.00
SURPLUS, OVER - - 16,000,000.00

Issued during 1905 more new business in the State of California than during 1904, and more than any other Company transactiug business in this State. Made a larger gain in force of premium paying business during 1905 than any other Company operating in California.

PACIFIC COAST HEAD OFFICE:
Wells Fargo Building, Cor. Mission and Second Sts., San Francisco.

HOME OFFICE: NEW YORK CITY

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GEORGE H. GASTON . . Second Vice-President	GEO. B. WOODWARD . . Third Vice-President
JAMES S. ROBERTS Secretary	FRANK O. AYRES . . . Fourth Vice-President
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FREDERICK F. TAYLOR, Assistant Secretary.

Security Mutual Life Insurance Company

BINGHAMTON, N. Y.

CHARLES M. TURNER, President

Liberal contracts and good territory can be secured by reputable life underwriters by addressing

C. H. JACKSON, Agency Secretary, Home Office
or GEORGE A. RIDER, Agency Director
Pacific Coast Department — Bacon Block, Oakland, Cal.

PACIFIC DEPARTMENT

Scottish Union

and

NATIONAL INSURANCE CO.

OF EDINBURGH, SCOTLAND

Assets, in United States, $4,581,956.10 Surplus, $2,381,880.36
Total Assets over $45,662,730.65

T. J. A. TIEDEMANN, GEN. AGT., **206 Pine Street, S. F.**

—THE—

NORWICH * UNION * FIRE

INSURANCE SOCIETY

OF NORWICH, ENGLAND.

Assets, - - - - - - - $7,086,930.68

Losses Paid, - - - - over $90,000,000.00

INDEMNITY

FIRE INSURANCE COMPANY

OF NEW YORK

Cash Capital - - - - - - $200,000.00

W. H. LOWDEN, Manager,

PACIFIC DEPARTMENT,

314 California Street, - - - - - San Francisco, Cal.

Svea Insurance Co. *of Gothenburg*

American Fire Insurance Co. *of Philadelphia.*

Agricultural Insurance Co. *Watertown, N. Y.*

The Delaware Insurance Co. *of Philadelphia.*

Globe & Rutgers *of New York.*

EDWARD BROWN & SONS

General Agents Pacific Coast Department,

411½ California Street

Total Assets Represented, Over Fourteen and a Half Millions

Established 1850

Connecticut...

FIRE INSURANCE COMPANY, of Hartford

Cash Capital - -	$1,000,000.00
Cash Assets - : -	5,340,136.94
Surplus to Policyholders	2,414,921.16

COLIN M. BOYD,
Agent for San Francisco.

BENJAMIN J. SMITH,
Manager Pacific Department

216 Sansome Street, San Francisco

1860 46th Year 1906

HOME LIFE INSURANCE COMPANY

OF NEW YORK

GEORGE E. IDE, President

ASSETS, $17,886,594.88 LIABILITIES, $16,457,194.41
(Including Dividend-Endowment Fund)

Dividend-Endowment Fund, (Deferred Dividends) .	$1,453,907.00
Contingent Fund, ...	225,000.00
Net Surplus, ...	1,204,400.47
Insurance in Force, ...	79,775,340.00

The Home Life supplied one of the marvels of the present investigation—an insurance company without any obvious scandals. N. Y. Tribune, 12-12-05.
Mr. Hughes' inquisition was not less searching than before, but the officers of the Home Life Insurance Company apparently survived it unscathed. N. Y. Herald, 12-12-05.

Detailed Statement furnished upon request.

FRANK SPERLING
GENERAL MANAGER
FOR
CALIFORNIA and NEVADA
—
307-8-9 Parrott Bldg.
San Francisco, Cal.

Union Assurance Society

OF LONDON

Capital.....$ 2,250,000.00
Assets.....$14,641,236.00

Law Union & Crown Fire Ins. Co.

OF LONDON

Capital.....$ 7,500,000.00
Assets.....$20,126,035.00

VICTORIA FIRE INSURANCE COMPANY

OF NEW YORK

Catton, Bell & Co., General Agents, 406-410 California St. San Francisco

PACIFIC SURETY COMPANY OF CALIFORNIA

PAID-UP CAPITAL $250,000 CASH ASSETS $412,000

GUARANTEE AND CASUALTY. SURETY ON BONDS.

Bonds of Suretyship issued on behalf of persons holding positions of trust, we also act as surety on Bonds required in Court proceedings.

PLATE GLASS INSURANCE

DIRECTORS { Geo. C. Perkins, H. L. Davis, James Moffit, John W. Phillips, P. E. Bowles, W. H. Crocker, F. P. Deering, J. A. Rey.

WALLACE EVERSON, Pres. JOHN BERMINGHAM, Vice-Pres. A. P. REDDING, Secy.

Head Office 326 Montgomery Street, San Francisco. Correspondence solicited with responsible agents

THE PENNSYLVANIA

FIRE INSURANCE COMPANY of Philadelphia.

Incorporated 1825.



ASSETS,

January 1st, 1905

$6,428,988.51

NET SURPLUS,

January 1st, 1905

$2,585,263.42

One of the OLDEST and STRONGEST Fire Insurance Offices in the United States.

OFFICE PACIFIC COAST DEPARTMENT:

508-510 CALIFORNIA STREET, SAN FRANCISCO.

RUSSELL W. OSBORN, MANAGER.

HOMER A. CRAIG, GENERAL ADJUSTER. **CHESTER DEERING, Assistant Manager**

SPECIAL AGENTS—S. P. Mesick, V. H. Quitzow, Frank Agnew.

Provident Savings

Life Assurance Society

OF NEW YORK

TIMOTHY L. WOODRUFF, President

The Best Company for Policy Holders and Agents.

Successful Agents and Gentlemen seeking remunerative business connections may apply to the Head Office, or any of the Society's General Agents

CARL C. GROSS

General Manager for California

CLAUS SPRECKELS BUILDING,

3RD AND MARKET STREETS

SAN FRANCISCO, CAL.

Hamburg-Bremen

FIRE INSURANCE COMPANY

Of Hamburg, Germany Organized 1854

Capital and Accumulations $3,726.181

Assets in the U. S. Jan. 1, 1905	2,008,938 61
Surplus " " " "	403,552.43
Losses Paid in the U. S. over	17,000,000.00

RUDOLPH HEROLD, Jr.

Gen'l Agent Pacific Department

415 California St.

San Francisco

The Fidelity and Casualty Company

OF NEW YORK

Assets,	$ 7,393,680.42
Capital and Surplus,	2,803,482.87
Losses Paid to June 30th, 1905	20,765,989.03

This Company Grants Insurance as Follows:

Bonds of Suretyship for persons in positions of trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly-Wheel, Employers, Public, Teams, Workmens' Collective, Elevator, and General Liability; Personal Accident, Health and Bonded Attorneys' List.

OFFICERS

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HENRY CROSSLEY, Asst. Secy.

FRANK E. LAW, Second Assistant Secty.

GEORGE W. ALLEN, Third Assistant Secty.

CHAS. J. BOSWORTH, Genl. Agt. Pac. Coast Dept. **Merchants' Exchange Building**

London Guarantee and Accident Co., Ltd.

OF LONDON, ENGLAND

Surplus to Policy-Holders Over $1,000,000.00

Writes Employers, Teams, Elevator and Public Liability Insurance.

Also,

Workmen's Wholesale Accident, and Individual Accident

EDW. C. LANDIS, General Agent

Office, 416 California Street

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National Life Insurance Company

MONTPELIER, VERMONT

Established in 1850 **Operating in 44 States**

JOSEPH A. DE BOER, Pres. — H. M. CUTLER, Treas.
JAS. T. PHELPS, Vice-Pres. — A. B. BISBEE, Med. Dir.
JAS. B. ESTEE, 2d Vice-Pres. — C. E. MOULTON, Actuary
OSMAN D. CLARK, Sec'y — F. A. HOWLAND, Counsel

This Company held January 1, 1906, and gained during the past decade:

ASSETS,	$34,519,093.04	Gain, 134%
SURPLUS,	3,821,752.51	Gain, 165%
INSURANCE,	145,480,904.00	Gain, 109%

Sells the Best and Most Modern in Life, Term, Endowment and Annuity Insurance.

G. M. STOLP & SON, General Managers
81-85 Crocker Building, San Francisco, Cal.

A. D. WALKER, General Manager
620-621 Bailey Building, Seattle, Washington

EMPLOYERS' LIABILITY Assurance Corporation, Ltd.

OF LONDON, ENGLAND

HEAD OFFICE FOR U. S.
Employers Liability Building, 33 Broad St., Boston, Mass.

SAMUEL APPLETON
United States Manager

ACCIDENT POLICIES
Of All Kinds at Very Low Rates

Employers' Liability Policies, Indemnifying Employers against claims for Accidents to Employees. Individual Fidelity Bonds and Accident Policies.

CHAS. J. OKELL & CO., Genl. Agts.
401 California St., San Francisco

AUSTIN Fire Insurance Co.

OF AUSTIN, TEXAS

Gross Assets over $600,000
Surplus to Policy-holders - - - $500,000

PACIFIC COAST DEPARTMENT
208 SANSOME STREET
SAN FRANCISCO, CAL.

C. G. YATES
GENERAL AGENT

The Metropolitan Plate Glass and Casualty Insurance Company of New York

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874. THE OLDEST NEW YORK COMPANY IN ITS LINE

ASSETS, JANUARY 1, 1905 - - - $652,231.59
SURPLUS TO POLICY HOLDERS - - 402,810.23

PLATE GLASS, HEALTH
PERSONAL ACCIDENT **POLICIES** OF THE
MOST APPROVED FORM

EUGENE H. WINSLOW, President
DANIEL D. WHITNEY, Vice-President
S. WM. BURTON, Secretary
ALONZO G. BROOKS, Asst. Secretary

MANN & WILSON
Gen'l Agents for Pacific Coast, San Francisco, Ca

Reliable and Energetic Agents Wanted



ATLAS ASSURANCE COMPANY
(LIMITED)
of London, England

Manchester Assurance Co.

Pacific Coast Branch, Atlas Building
416-418 Sacramento St., San Francisco

FRANK J. DEVLIN, Manager
T. H. PALACHE, Assistant Manager

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Agents Wanted in California, Oregon, Washington

The Queen City Fire Insurance Company

OF SIOUX FALLS, SOUTH DAKOTA

Cash Capital, $300,000.00

Pacific Department, Rooms 330-331 Merchants Exchange Building
San Francisco

LEE S. FRUDENFELT, Sec'y-Manager

Men of Character are attracted to the Agency Force of the Northwestern

Because the Northwestern accepts business only from regular agents of the Company.

Because Northwestern policies command 100 cents on the dollar. Rebating has been prohibited for 10 years.

Northwestern commissions are for Northwestern agents.

BEST RESULTS TO POLICY-HOLDERS.

MOST ATTRACTIVE POLICIES.

ISSUES PARTNERSHIP AND CORPORATION INSURANCE.

For further information or an Agency, address:

H. F. NORRIS,
Superintendent of Agencies.

The
Northwestern
Mutual Life Insurance
Co. of Milwaukee

H. L. PALMER, Pres. J. W. SKINNER, Sec'y

Organized 1857

GROWTH OF COMPANY

Year	Insurance in Force
1865 . .	$ 11,217,155
1885 . .	98,793,982
1905 . .	708,552,287

Business of 1904 largest in history of Company

Purely Mutual and transacts business only in the United States

WE WANT FOR THE

Inter-Mountain and Pacific States

Fifteen first-class field men and managers. Will pay salaries from $100 to $250 per month, and commission in addition thereto. No one need apply without giving satisfactory references.

The Best Selling Proposition In The Market

Address HIRAM TYREE, President,
CONTINENTAL LIFE INSURANCE & INVESTMENT CO.,
SALT LAKE CITY, UTAH.

The Palatine Insurance Company Ltd.



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All losses on the Pacific Coast promptly paid through the Branch Office at Alliance Building, 416-418 California Street, San Francisco, Cal.

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E. F. NIEBLING, Assistant Mgr.

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LIBERAL CONTRACTS

The Manhattan Life Insurance Company has appointed Col. A. A. Green, Jr., Western Superintendent, in charge of the agency work and the development of the states west of the Mississippi, together with Illinois and Wisconsin.

Attractive and Liberal Contracts will be made with live, energetic men who can write a good line of first-class business.

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Corner MISSION & SECOND Streets

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Insurance and Commercial Printing and Publishing

Appropriate Souvenir Printing for Special Occasions

SIXTEEN PRESSES AND THREE LINOTYPES

THE AACHEN AND MUNICH
FIRE INSURANCE COMPANY
Of Aix-la-Chapelle, Germany. Organized 1825

Capital	$2,250,000
Assets, over	6,000,000
Surplus to Policyholders	4,000,000

HANOVER
FIRE INSURANCE COMPANY
Of New York. Organized 1852

Capital	$1,000,000
Assets	3,000,000
Surplus to Policyholders	1,400,000

CESAR BERTHEAU, Manager
A. R. GRIM, Assistant Manager
PACIFIC COAST DEPARTMENT
423 California Street, S. F.

C. H. BUNKER, President
A. A. SMITH, Secretary

FRANKLIN H. HEAD, Vice-President
H. G. B. ALEXANDER, 2d V.-P. and Gen'l Mgr.

Continental Casualty Co.

CHICAGO

CAPITAL STOCK - - - $300,000

GOOD CONTRACTS in GOOD TERRITORY to GOOD MEN

WRITES ALL FORMS OF

Personal Accident and Health Insurance

MORE THAN FOUR MILLION DOLLARS

PAID TO POLICYHOLDERS

W. H. BETTS, Resident Manager

MUTUAL SAVINGS BANK BLDG. SAN FRANCISCO, CAL.

The FRANKLIN FIRE

INSURANCE COMPANY
Of Philadelphia
Organized 1829

$3,087,001.53 Assets **$1,078,240.32 Surplus**

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A. H. TRATHEN, Assistant Manager
W. W. CLEVELAND, Special Agent

218 Sansome Street SAN FRANCISCO

D. M. FERRY, Pres. E. A. LEONARD, Sec.
Incorporated 1884
Cash Capital $250,000.00

THE STANDARD
LIFE AND Accident Insurance
DETROIT Company MICHIGAN

All forms of Accident, Sickness, Industrial and Liability Insurance

CLARENCE F. BRIGGS
Supt. Pacific Coast Department
MILLS BUILDING San Francisco, Cal.

J. F. RILEY

INSURANCE ATTORNEY

602 California Street

SAN FRANCISCO, CALIFORNIA

THE HOME INSURANCE COMPANY

NEW YORK

Principal Office, 56 Cedar Street, New York

FIRE, LIGHTNING AND WINDSTORM INSURANCE

Cash Capital	$3.000,000.00
Reserve Premium Fund	7,598,001.00
Reserve for Unpaid Losses and Other Claims	1,920,550.54
Net Surplus	8,720,501.34
Total Assets	**$21,239,052.88**
Surplus as regards Policyholders,	**$11,720,501.34**

ELBRIDGE G. SNOW, President

EMANUEL H. A. CORREA, Vice-Pres.
FREDERIC C. BUSWELL, Vice-Pres.
CLARENCE A. LUDLUM, Asst. Secretary
ABEUNAH M. BURTIS, Secretary
CHARLES L. TYNER, Secretary
HENRY J. FERRIS, Asst. Secretary

ORGANIZED IN 1853

Losses Paid Since Organization, over - $99,000,000.00

THE HOME has a well organized, competent and experienced force of GENERAL and SPECIAL AGENTS resident in the Pacific Coast States, ensuring prompt response to the needs and requirements of its Agents and the insuring public, and IMMEDIATE ATTENTION TO THE ADJUSTMENT AND PAYMENT OF LOSSES.

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J. J. SHEAHAN, Special Agent, 210 Sansome St., San Francisco, Cal.
J. D. COLEMAN, General Agent, Department Pacific Northwest, Portland, Ore.
H. E. SMITH, Special Agent
M. H. MERRILL, Special Agent } 250 Stark St., Portland, Ore.
CHARLES QUITZOW, Special Agent, Southern California and Arizona, Los Angeles, Cal.
JUNIUS YOUNG, Special Agent, Idaho (S. E.), Utah, Montana and Wyoming, Salt Lake City, Utah.
GEO. M. MITCHELL, City Agent, 210 Sansome Street, San Francisco, Cal.

THE Preferred - Accident - Ins. Co.

Of New York.

KIMBALL C. ATWOOD,
SECRETARY

Assets, Jan. 1st, 1906	- -	$1,319,513.65
Surplus and reserve (including capital) for the protection of policyholders		$1,130,981.80
Claims paid,	- - - over	$6,000,000.00

More Insurance in force in California
than any other Accident Company.

The Unlimited Health Policy

$2,500 for loss of Sight of Both Eyes from any disease
$2,500 for Permanent Paralysis of the Entire Body, Both Feet, Both Hands, or Hand and Foot by disease
$25 Weekly Indemnity (limited to twenty-six weeks) for Disability resulting from

ANY DISEASE

SURGEON'S FEES—In case of operation the result of disease, this Policy provides a long list of cash benefits, which are paid in addition to the weekly indemnity,

NO MEDICAL EXAMINATION REQUIRED

PREMIUM Ages 18 to 50 (inclusive) **$35** per annum
Ages 51 to 55 " **$45** per annum

A Policy allowing Half Benefits at Half Price
Health Policies are sold only to those who carry Accident Insurance in this Company

. The Best Policies .

The Best Commissions

ACTIVE AGENTS WANTED

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Manager Pacific Coast Department

G. C. FARRELL,
Assistant Manager

FREDERIC A. STEARNS, General Agent

GENERAL OFFICES, Mills Building, SAN FRANCISCO

THE London
Assurance Corporation
OF LONDON
Founded 1720

Cash Assets - - $21,000,000.00

WM. J. LANDERS, Manager
F. W. TALLANT, Branch Sec'y
Pacific Coast Branch
205-7 SANSOME ST. San Francisco

NIAGARA
FIRE INSURANCE COMPANY
OF NEW YORK

Cash Assets..... ..$3,700,000.00

WM. J. LANDERS, Manager
F. W. TALLANT, Department Sec'y
Pacific Coast Department
205-7 SANSOME ST. San Francisco

British America Assurance Co.
OF TORONTO
INCORPORATED 1833

Assets in United States - $1,542,949 10

Western Assurance Company
OF TORONTO
INCORPORATED 1851

Assets in United States - $2,397,608 00

The only fire insurance companies that have a special California deposit of $100,000 each, for the exclusive protection of California policyholders.

W. L. W. MILLER, General Agent,
319 California Street, San Francisco.

C. J. STOVEL, Marine Agent for Coast for British America
San Francisco.

H. T. LAMEY, Manager Western Department, Denver, Col.

1792 1906
INSURANCE COMPANY OF NORTH AMERICA



CASH CAPITAL
$3,000,000.00

POLICY HOLDER'S SURPLUS
$6,626,730.57

ASSETS, JAN. 1, 1904
$13,024,882.85

NET SURPLUS
$3,626,730.57

OF PHILADELPHIA, PENNA.

Oldest Fire Insurance Company in the United States
LOSSES PAID SINCE ORGANIZATION, $123,838,099.36

A. E. BAILEY, Superintendent of Agencies
J. K. HAMILTON, CHAS. O. SCOTT, Special Agents

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Exceptional Inducements

are

Offered Intelligent and Reliable Men

to enter the service of

THE MUTUAL LIFE

INSURANCE COMPANY OF NEW YORK

It is the largest and best Company in the world and the most satisfactory Company to represent

Applications may be sent to

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Superintendent of Domestic Agents

32 NASSAU STREET ▸ ▸ ▸ NEW YORK CITY

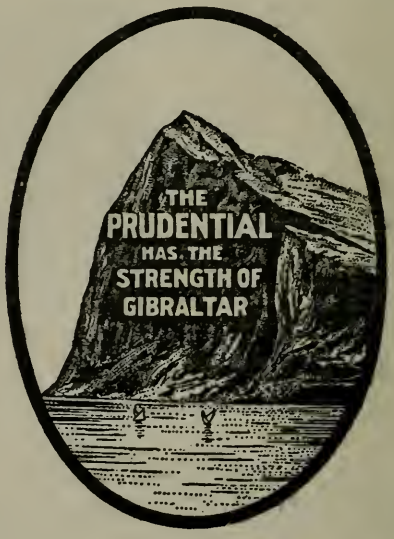
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Prudential representatives make money. They have most varied forms of policies and advantageous contracts with liberal commissions.

The attention of young men, particularly young men starting in business is especially sought.

Write for full information regarding these unusual opportunities.



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INSURANCE COMPANY OF AMERICA

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J.

JOHN F. DRYDEN
President

CONSERVATIVE
PROGRESSIVE
FAITHFUL

SOME of the cardinal aims of the *Union Mutual* management are—to be conservative in the choice of investments—to be progressive in the prosecution of the business—to be faithful to the interests of policyholders.

Agents of like inclination cordially welcomed

Union Mutual Life Insurance Company

Portland, Maine

FRED E. RICHARDS, *President* ARTHUR L. BATES, *Vice-President*

Exclusive territory may be had on application to

WM. C. LEAVITT, Manager

713 Market Street (Spreckels Annex), San Francisco, Cal.

National Life Insurance Company

OF THE U. S. OF A.

HOME OFFICE
NATIONAL LIFE BLDG.
CHICAGO, ILL.

ALBERT M. JOHNSON, President ROBERT D. LAY, Secretary
ROBERT E. SACKETT, Vice-President CHARLES B. SHEDD, Treasurer

ADMITTED ASSETS	$ 6,092,500.46
INS. IN FORCE	43,336,600.78
FULL PAID CAPITAL	1,000,000.00

Policy contracts liberal and up-to-date.
Exceptional inducements offered to wide-awake agents.

W. H. HENDRICKS, Mgr.

309-311 UNION TRUST BUILDING

SAN FRANCISCO, CAL.

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OF BROOKLYN, N. Y.

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A. C. OLDS State Agent for Pacific Coast
Hayward Building, San Francisco

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Z. M. BOYER, Portland, Ore.
J. H. CLINKSCALES, Los Angeles
F. W. FOULKES, C. A. COLVIN, } Hayward Building, San Francisco

ASSETS, - $1,620,865.99 | SURPLUS, $725,391.35
ORGANIZED IN THE YEAR 1864
HOME
FIRE AND MARINE
INSURANCE CO.
OF CALIFORNIA.
HOME OFFICE: 409 CALIFORNIA ST. SAN FRANCISCO CAL.

The German Insurance Company. OF FREEPORT.

ORGANIZED, 1865

Assets, - -	$ 5,546,127
Net Surplus, - -	1,727,980
Re-Ins. Reserve,	3,405,087
Losses Paid, over	19,943,504

C. H. WARD, Manager Pacific Department
337 PINE STREET, SAN FRANCISCO, CAL.
RELIABLE AGENTS WANTED

VOL. 32. NO. 4.



SAN FRANCISCO, CAL., APRIL, 1906.

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The Great Fire Insurance Company of the World.

Gross Assets, $56,630,065

Assets in U. S. $12,107,398

LIVERPOOL & LONDON & GLOBE INSURANCE COMPANY

NEW YORK OFFICE, 45 WILLIAM STREET.

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G. W. HOYT, *Deputy Manager.*

NEW ENGLAND, NEW YORK, OHIO, MARYLAND, PENNSYLVANIA, NEW JERSEY, INDIANA, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, W. VIRGINIA, N. CAROLINA, TENNESSEE, S. CAROLINA, KENTUCKY, ARKANSAS,

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CHICAGO OFFICE, 205 LA SALLE STREET.

ESTABLISHED 1836. ENTERED U. S. 1846

The statement of the condition of the United States Branch on the 31st of December, 1905, in accordance with the laws of the State of New York, is as follows:

ASSETS	$12,234,948.26
LIABILITIES	6,972,668.49
SURPLUS	$5,262,279.77

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year	Assets Jan 1	Income.	Expenditure.	Excess of Expenditure.
1871	$3,054,361	$3,163,901	$5,122,653	$1,958,752
1872	3,640,450	3,733,101	4,448,999	751,898
1873	4,163,290			

Thus showing *Excess of Expenditure* in the two years of $2,710,650
And *Increase of Assets* in the same time of 1,110,939

Progress of the United States Branch:—Net Fire Premiums: 1848, $4,510; 1858, $471,968; 1868, $1,729,630; 1878, $2,423,126; 1888, $3,926,010; 1898, $4,979,422.

LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 55 years is $88,666,877.73 This large sum, in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and paid.

PACIFIC DEPARTMENT ESTABLISHED 1852.
Chief Office, 422 California Street, San Francisco.

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SPECIAL AGENTS

G. BRUSH JOHN W. GUNN W. H. RAYMOND R. H. ROUNTREE

INCORPORATED MARCH 27, 1820 ORGANIZED SEPTEMBER 1, 1817

CHARTER PERPETUAL.

Fire Association of Philadelphia

CAPITAL $500,000
ASSETS $7,003,261

E. C. IRVIN, President — THEO. H. CONDERMAN, Vice-Pres.
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Security Life and Annuity Co. of America

EXECUTIVE OFFICES, CHICAGO, ILLINOIS

TO SUCCESSFUL SALESMEN.

Our agents are making more money per capita than the agents of any other company, for the simple reason that they are writing more business per capita than the agents of any other company. The reason for this is that we have one of the most salable propositions in America. Shall be glad to furnish information to any man of good character who desires to ally himself with a progressive old-line capital stock company, with excellent chances for promotion.

Address:—
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ROYAL

Insurance Company
CASH ASSETS $60,883,963.71

QUEEN

Insurance Company
CASH ASSETS $,627,333.03

LOSSES ADJUSTED AND PAID THROUGH SAN FRANCISCO BRANCH OFFICE

ROLLA V. WATT,

Manager Pacific Coast Department

ROYAL INSURANCE BUILDING
COR. PINE AND SANSOME STREETS, SAN FRANCISCO

Assistant Manager,
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SPECIAL AGENTS:

Frank M. Gilcrest, H. R. Burke, Wm. Maris, J. K. Urmston, J. B. Walden, Jr
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N. B.—The ROYAL enjoys the largest fire premium income of any company in the world.

FIREMAN'S FUND

INSURANCE COMPANY

FIRE MARINE

HOME OFFICE:

Company's Building, Sansome and California Streets

SAN FRANCISCO

CAPITAL -	$1,000,000.00
SURPLUS -	2,718,144.50
ASSETS -	7,232,552.19

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BERNARD FAYMONVILLE . . .	Vice-President
J. B. LEVISON . .	2d Vice-Pres. and Marine Sec'y
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The Adjuster

VOL. 32. APRIL, 1906. NO. 4.

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J. A. CAREY, - - - - - Editor

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PAYABLE IN ADVANCE.

The New Commission Rule.

In dealing with the Utah situation, we advised the local agents of that State to base their claim for higher compensation on the one ground that board companies should be able to pay as much for business as non-board companies. If the latter can afford to pay twenty-five per cent. for this class of risk or for that it is mere folly to say that the former can not well do likewise.

This principle is clearly at the bottom of the very recent agreement of the board managers and general agents to pay twenty-five per cent. on all term risks at such points as they may individually approve; and to pay that increased ratio without any conditions or stipulations whatever on the part of local agents affected.

This change of front will have two widely different effects. It will strengthen the loyalty of the local agents affected by the higher ratio and weaken that of those not similarly benefitted. It will surely emphasize the perpetual cry of property-owners that the rates they are charged are too high, if they can be loaded with a commission cost of twenty-five per cent.

A subsidiary point also is that the commission equality between board and non-board agents will place a further strain on the rules against rebating. This perhaps is a feature which is not directly connected with the two former ones, but it is up to the local agents to manage their own affairs so that the intended benefit to them shall not slide through into the pockets of the policyholder—their client.

Naturally the correct plan to minimize the first of the effects above referred to will be to apply the new rule generously and to as many cities and towns as can, with any ground of equity, be favored. (We use the word "favored" advisedly.) The correct plan to minimize the second effect, will be to rigorously avoid any increase or any reduction in the basis—and consequently the special—rates of the term business where the new commission rule is applied. Increase or reduce them where it is not applied, if the relation, in the term business, becomes as a whole too close between premiums and losses, and thus be prepared to fall back, in fighting the argument of the property owner, exclusively on the total average loss record of the whole class. There is only one San Francisco entitled to be treated, possibly, as a section by itself; and, indeed, we believe that the time is rapidly approaching when the term rates in San Francisco will have to be so treated. This, however, is another story, or at any rate part of another story.

But what a change the new rule presents from the absolute, uncompromising attitude of the powerful minority, who in 1897 were prepared to let the merry war go on, rather than agree to a twenty or twenty-five per cent. rate of

commission in the former "excepted" cities. What has brought about the change? One fact alone, viz.: that against a small group of non-board companies any number of board companies are well nigh powerless! This is the great lesson of the situation, and we believe that it has for many years to come abolished the chance of any effort to legislate on contrary lines.

Non-participating Policies.

Owing to the complete absence of the power of discrimination shown by the average man the general public is, unfortunately for itself, beginning to look with eyes of suspicion upon "dividends" or "surplus" in life insurance. This is shown by the large number of "guarantee dividend" policies which are placed in the hands of agents with specious arguments as to the desirability of having everything guaranteed.

With reference to the non-participating or "all-guaranteed" policy, there are two points to be considered:

First, the basis of all business is confidence, and no person should insure with a company that he does not believe will divide surplus honestly. If a company is not disposed to be honest and fair, a mere guarantee will not stand in the way.

Second, the managers of a company are excellent authority as to the dividends it can pay. To guarantee dividends by charging a lower rate than ordinarily, but without dividends, is, in effect, the buying by the company of the probable dividends on a policy for a fixed sum, the difference between the participating and non-participating.

In other words, this difference is the valuation placed by the company upon the dividends it will probably pay.

Whatever price the company is willing to offer, knowing better than anyone else what it is buying, the applicant may safely pay and feel sure that he is getting a bargain. The management which guaranteed a non-participating rate not considerably in excess of the actual cost reasonably to be expected would be guilty of criminal foolishness.

Owing to the increase of the reserve and cost of insurance the annual surplus in a life insurance policy, being a percentage of these factors, increases with the age of the policy. In this way the surplus or profit to the company for the twelfth year of a non-participating policy might be considerable, although for the first year the premium may have been barely sufficient. As no company would adopt premiums which were, during any year, insufficient, it is clearly obvious how very profitable to the company a non-participating policy will ultimately be, although the rate is just sufficient during the first year or two.

Our advice to those contemplating insurance is to avoid the non-participating policy, for what is a profitable proposition for the company will be equally so for the policyholder if he has a participating policy in an honest company.

Special Agents and the Board.

It is very certain that the special agents form a group that, generally speaking, can get to the bottom of board difficulties (or rather, puzzles) in a particular town, better than any other company officer, and better than any Board representative.

Agents very frequently hesitate, if they do not actually dislike, to expose facts to, for instance, a Board district manager, however much they may like him personally. He is too completely enveloped in an official relationship which must, in the very nature of things, be sometimes embarrassing to them.

Agents also very often have a natural timidity or reserve toward their manager when they see him en passant for perhaps half a day or a whole day, once a year or once in six months.

Between these two difficulties, the Board committees must naturally have a hard time now and then in really finding out the true facts on which recommendations for rulings and legislation should be based. The

more important the difficulty, the deeper may be its root, and the more gradually will the appropriate curative process develop. This gradual process will unfold itself only to the successive special agents, each in a different degree, each perhaps from a varying point of view. The sum total of these details of information must hold the key to the position of affairs.

There might well be special agents' committees recognized by the agents as their informal representatives, and recognized in a consultative capacity, only, by managers in their joint executive relation to the needs of the business. Not as rate-makers, but as diplomats, their local information would, we believe, be almost invaluable—information based frequently on confidential knowledge, confidentially given.

Can any one doubt that these special agents' committees could alleviate, in time, many a sore spot developing later on for lack of intimate knowledge, into a small sized cancer, which can then in despair only be eradicated with the knife of circular this or circular that?

It has always been a puzzle to the ADJUSTER to understand why the special agents are usually the last men to be consulted by the Board executives, though doubtless each individual member of the Board does promptly consult with his own special agent, from the standpoint only, however, of his company's single premium interest. And yet they, the special agents, are the very men who are acquainted with the local agency particulars. If they could be banded together in a recognized capacity, their interest in preserving good conditions as a whole would strengthen the Board wonderfully; and it would also help in preserving between special agents themselves a code of honor which could not possibly be other than beneficial to the whole body.

The ADJUSTER therefore makes a plea for the establishment of a new consultative relation between the special agents and the Board of Underwriters of the Pacific—a relation which furthermore is not intended or calculated to interfere with their natural and primary responsibility to the interests of their own respective employers.

⁂ ⁂ ⁂

What a Fire Marshal Costs.

From the report of the Ohio Fire Marshal for the year 1905 the following interesting facts regarding the expense of maintaining and benefits derived from his office are revealed. The report shows that in 1905 he spent $62,040.

Of this amount $42,049 went for salaries, to an average of thirty-two persons in the twelve division offices.

There was added to the permanent office fixtures, in a year and a half, $1,508.

Telegraph and telephone cost for the twelve offices $1,217.

Railway fare and boarding for men investigating fires, gathering evidence or attending court, $9,057.

The item of postage, which was $1,405, also gives an idea of the amount of work done by the department. From the Columbus office, nearly every week, 900 bulletins were mailed, half of them to publications within the State; the remainder to persons who had asked for them. Three thousand annual reports were sent out and blanks were sent and much correspondence had with 2099 officials, who under the law report fires. Sixteen hundred letters were written to town officials in regard to the passing of ordinances against fire dangers.

The livery bill was $643. Rent for eleven offices, $1,378. Stenographers' fees in gathering testimony, $1,012. Witness fees, $294.

Attorneys' fees, $324, and extradition of prisoners, $276. These amounts were spent principally in the case of George Letcher, who resisted extradition from California.

Fees of township clerks for reporting fires, $617. Obtaining evidence, $375.

Maintenance of witnesses, $545.

No money was spent in compromising or paying damages for false arrest.

The fire marshal law provides that fire insurance stock companies shall pay to support the fire marshal's department one-half

of one per cent of their gross premiums. The amount produced by this law, owing to the rapid increase in insurable buildings, is growing at the rate of $10,000 a year, and for 1906 will be about $70,000.

Although the fire marshal during last year undertook the added work of inspecting buildings and of educating the people as to fire dangers through the newspapers, he had at the end of the fiscal year $10,671 unexpended. This money could have been well spent in salaries for additional inspectors.

Through the activities of the fire marshal's department forty-six persons were convicted of arson; the number of incendiary fires was but 97, and the loss entailed by them but $93,359. Every suspicious fire was investigated and the number of fires classed as unknown was reduced to 6.9 per cent. This is a smaller proportion of "unknowns" than is found in the statistics of insurance companies, in which occur only selected risks, and in which all fires are investigated by adjusters. The fire loss in 1905 was one and one-third million dollars less than the average.

In years before the fire marshal's department was established the loss was as high as 60 cents. In 1903 it was 54 cents and in 1904 52 cents for each dollar paid.

This great reduction in fire loss benefits the whole people. Many buildings are not insured at all, and as insurance companies carry but two-thirds the value of building and contents, if the loss is total the owner loses the remainder. In 1905 the cost of fires in which the loss was total was $2,100,173, or a little more than a third of the total loss, which was $6,112,707. The people pay the whole loss ultimately, for the insurance companies only assess the danger and distribute the loss.

⁂ ⁂ ⁂

The West Coast Life.

The West Coast Life Insurance Company, licensed on March 4th to write both ordinary and industrial insurance, begins its career under favorable auspices. Beside a substantial cash capital and unusually large surplus the company is further strengthened in the estimation of the public by a provision of the constitution of the State of California which reads as follows:

"Each stockholder of a corporation or joint stock association shall be individually and personally liable for such proportion of all its debts and liabilities contracted or incurred during the time he was a stockholder, as the amount of stock or shares owned by him bears to the whole of the subscribed capital stock of the corporation or association. The directors or trustees of corporations or joint stock associations shall be jointly and severally liable to the creditors and stockholders for all money embezzled or misappropriated by the officers of such corporation or joint stock association during the term of office of such director or trustee."

Another feature pretty sure to give it prestige is a provision in every participating policy issued by the company to the effect that in making dividends or division of surplus that no part of the premium payments and accumulated interest shall be diverted to the benefit of stockholders. All such premiums paid as provided, together with interest accumulations and a due proportion of mortality profits, are guaranteed to inure, after the fourth year, in proper proportion, to the benefit of the policyholder. This makes the company as nearly mutual in its practical workings as it is possible to conceive.

Another bid for public confidence and favor is the following clause which will be printed on every policy and application:

This copy of application is printed for information of the insured and beneficiary, so that every part of the contract may be in their hands. Remember also that according to the by-laws a policyholder may examine the company's books of account and vouchers during all business hours. This is an offer accorded by no other company, but is recognized by this company as a just right, and its exercise is earnestly solicited in order that you may keep informed of the company's financial strength.

The ordinary policies of the West Coast provide that in case of permanent total disability occurring after the third policy year, and for an insurance not exceeding $10,000, the premium payments shall cease, and the amount insured become payable in ten

equal annual instalments. This is a pet measure of Dr. Moore's, introduced successfully into the policies of the Pacific Mutual while he was president of the company. And for a small additional premium insurance can be secured for loss of business time resulting from accident or disease, although this latter feature will not be pushed.

The task of building up the business is in competent hands. Both the president and vice-president are life underwriters of extended experience. George A. Moore, for many years occupying a similar position with the Pacific Mutual Life, is a man of ability, energy and strong character, and the same applies with equal force to Vice-President T. L. Miller, through whose efforts, it will be remembered, the Pacific Mutual's large industrial business was developed.

⁂ ⁂ ⁂

The Reinsurance Agreement.

The proposed reinsurance agreement is a document which reflects very great credit indeed on its creator, Mr. Kellam. Only an analytical, close, logical thinker could have evolved it. But there have been so few reinsurance disputes in the past, and the good faith between companies has always been so carefully maintained, that the greatest difficulty lying in the way of the adoption of a new agreement is the absence of any real necessity for it. We say this with full knowledge of the fact that several of the proposed clauses have been met with a chorus of dissent. It is doubtful, indeed, taking both circumstances into account, whether the entire proposal will not have to be "laid on the table." This would be a great pity from one point of view, namely, that of the "machinery" section of the scheme.

If the agreement is adopted only by a mere majority of officers, it will cause endless complications hitherto non-existent. Better by far let it wait until conditions of acceptance are more favorable. But why not fall back on the non-controversial portion? Why not let everything else go for the present and offer for final adoption only the "machinery" features? The general saving of labor resulting therefrom would of itself be a standing tribute to the author and supporters of the agreement in its original form, and partially recompense them for the time and thought which they have unselfishly expended for the common good.

J. N. Russell, Jr.

J. N. Russell, Jr., recently elected secretary of the Pacific Mutual Conservative Life, is at present in Minnesota, where he has been organizing the company's business and doing it, as with everything undertaken by him, in a thoroughly effective manner.

Mr. Russell has been engaged in organizing agencies and procuring insurance business all his life and has a pretty thorough knowledge of office work as well.

In every undertaking he is sincere and energetic, and the recognition of his worth by President Tupper and the other officers of the Pacific Mutual Conservative is as wise as it is pleasing. This promotion, however, is in line with President Tupper's policy of recruiting all positions of responsibility, activity and trust from ability that has manifested itself while in the employ of the company.

C. J. Stovel Agency.

The Pacific Coast head office of the C. J. Stovel fire and marine agency now occupies the ground floor of the premises 110-112 Battery street of which previous mention has been made in THE ADJUSTER.

The furnishings throughout are of solid mahogany and make a fine appearance. There is, probably, not a handsomer fire insurance office in the country.

The companies that will make their home here are the American of Boston, Dutchess of Poughkeepsie, Girard Fire and Marine of Philadelphia, New York Fire, North River of New York, Nassau Fire of Brooklyn, New Brunswick of New Jersey, Buffalo-German of Buffalo and the Marine end of the British America of Toronto.

All the large floor space is given over to the accommodation of the business of the above companies with the exception of the left window space, which affords accommodation to the C. J. Stovel Realty Company.

BACK TALK.

The Insurance Record of New York prints a half-column of verses so filthily indecent, so reeking with pruriency, that the edition should have been excluded from the mails, and then boldly charges Miles Menander Dawson, the well-known actuary, with being the author. There is a point beyond which silence in the face of this kind of assault ceases to be dignified.

* * *

The Journal of Insurance Economics heads an article on the application of separation to the Pacific Coast territory with the query, "Is rate-cutting being used to compel separation?" This is an exceedingly interesting but difficult problem to solve and I am very much averse to giving an offhand opinion. As in the instance of a man being kicked to death by a mule it is possible that the man may be employing the mule to effect this purpose, but nevertheless indications are somewhat in favor of a hypothesis suggesting volition on the part of the inferior demonstrator.

* * *

We need the money, but we can better afford to be without it than to aid in debauching insurance journalism—The Chronicle.

That is just the way I feel about it except that I cannot truthfully say that I need the money, and just to the extent that my requirements are lacking in this respect I feel my unworthiness to stand on the Chronicle's high moral level and to shine by the reflected light of its dazzling purity.

* * *

The editor of the Life Insurance Independent is affected with spiritual disquietude over what he calls a subscription list, and complains that he has "never commended a company that some one has not twitted us for our servility and there is not a company in existence that we have not been called upon to 'expose' for its failure to measure up to the high standard established by some 'liberal-minded representative of a competing company.'" Because of his being afflicted with this subscription list "too many men who pay their little two dollars a year want to edit the paper. If they don't do it they'll stop it." A truly embarassing position. But he retains the subscription list. Is it to be inferred that too many men are editing his paper? If so I have wronged him in thought most grievously.

* * *

General Agent Frederick A. Stearns of the Preferred has been doing Old Mexico on horseback during the past five weeks. As evidence that the trip was undertaken purely for recreation Mr. Stearns declares that but one application was written during his absence and that was granted to an individual who in some manner penetrated his incognito and declined to be shaken off. Down over the Sierra Madre Mountains as far as the place where "Apache Kid" was killed the last time Mr. Stearns made his way with an Ollendorff in one hand and his trusty steed in the other, much benefiting by the trip. "Justimante pronto," says he, "as yo puedo get my Inglis back yo intend to voy to-work again. But it is wonderful how pronto one forgets ones madre tongue when in a foreign country. Honestly I don't know whether I have mi cabeza o el del Mexicana. Adios, amigo. Veo V. manana."

* * *

On the day that Robert S. Brannen was stricken with apoplexy he wrote a letter to the Western Underwriter, which was received after his death, saying that he would be in Chicago on the 15th inst. Apart from the example that this affords of the mutability attendant upon all human plans and aspirations and the opportunity offered to his friends for reflecting that "Bob" was in a much better and more congenial place at the date mentioned, the incident is made impressive by a further quotation from his letter in reference to this contemplated visit which was to have

been made in the interest of the organization of casualty and surety men, a project recently occupying much of his attention. In this connection Mr. Brannen said:

I hope at our first meeting in Chicago the thought will be developed as to the future of the business and overlook what has occurred in the past in the way of competition. There will be no opportunity there, if I can prevent it, to wash any dirty shirts. It must be business and it must be business that will be beneficial in the future and it would be entirely useless for any of us to bring up the bad practices of the past. Let us overlook the past and discount the future with only brighter hopes than ever before. The majority of the trouble of the surety and liability business has occurred through ignorance. I am not throwing stones at any one else's windows and I am only looking at my own acts of the past. I am not a man with a grievance.

An effort to complete the work of organization begun by Mr. Brannen is being made, and to all those interested the above words should appeal with peculiar force.

* * *

The insurance world to-day is the greatest financial proposition in the United States. As great affairs always do, it commands a higher law. In defending its rights and its property, you cannot stop to kick every cur that comes along and barks; and if you could sweep them out in other, perhaps mysterious, but honest ways, you are defending and asserting the higher law which great enterprises have a right to command. So, I say, when these vouchers were given over they were right, and when the auditing committee approved them, then they stand as sponsors for them. If they did not approve them, then they failed to perform their duty. And the reason I came forward now is not to say or not to apologize for these vouchers, but to say this, these men with the responsibilities upon their shoulders and upon mine, they have something to account for.

They may talk about the "yellow dog," but the "yellow dog" is a dog of courage and of loyalty, but the curs who stood around this funeral that has occurred, and the curs who know of these transactions and shrunk into their shoes, they are the curs, and that is the reason that I come to speak before you and say that the great interest of two billions of dollars of life insurance and four hundred millions of dollars of assets can never be safely entrusted to the hands and administration of a lot of curs.—Alexander Hamilton before the Armstrong Committee.

Mr. Andrew Hamilton, hearing that his presence was greatly needed in New York, returned to this country most unexpectedly, and then found that really nobody wanted him. The trustees of the New York Life had threatened to bring suits of various kinds against "Judge" Hamilton, and the veracious yellow newspapers had spoken of extradition proceedings being instituted. The man who had, as charged, "appropriated" funds of the New York Life suddenly appears without the aid of extraditionl force and what happens: The New York Life trustees "see no reason why they should ask Mr. Hamilton to appear before them" and explain. They had instituted legal proceedings, that was enough. They had heard that the "Judge" had threatened to come down to the office and see them, and they were thoroughly alarmed. Then Mr. Hamilton proceeded to make himself excessively obnoxious by going to Albany and getting cheek by jowl with Senator Armstrong and the doughty counsellor Hughes, who have been clamoring for many months to get him before them. But, lo and behold, "the committee has practically completed its work and sees no benefit to be derived by an examination of Mr. Andrew Hamilton at this time." Isn't it funny? Hamilton will have it get out a mandamus compelling his examination—P. D. Q., in Insurance Record.

No one seriously believes that the politicians comprising the New York legislature ever wanted Mr. Hamilton to return with information regarding the disbursement of money intrusted to him by the New York Life Insurance Company. Such proceeding would savor too much of an investigation of the methods of that body itself. No serious effort was made to return that gentleman before the committee, and when he comes of his own accord he is politely informed that no use can be made of such information as he has bottled up within him. What else was to be expected? What else was expected? Figs are not thistles, nor grapes thorns. A river cannot rise higher than its source, nor can anything come out of an institution founded on a monstrous falsehood and maintained for its constant affirmation.

The New York legislature is the realm beatific of deceit, humbug and quackery, and all its emanations are thus tainted. As evidence that this opinion fits other legislative bodies I reproduce the following from Insurance Field.

Politicians are curious moralists. The New York legislature is reported to be impatient to turn out all the life insurance folks for giving money to politics and buying legislators, but they promptly voted down a resolution asking Senators Depew and Platt to resign. Yet Depew took 20,000 a year of "policy-holders' money" and Platt as boss took everything he could get and protected the companies. The idea seems to be that grafters are not good enough for insurance companies, but fit the United States Senate very well. Maybe this view is correct.

* * *

Legalized compulsory murder for the purpose of ending the misery of those in great physical pain which must prove fatal in the end, and of preventing the rearing of children who are hideously deformed or hopelessly idiotic, is proposed in a bill introduced in the Iowa legislature by a Dr. Gregory. "My measure is a humane one," says the doctor. "It is a step we must surely take some time. What I propose for the relief of human beings is not more than you are now practicing in the exercise of humanity on dumb animals." To which THE ADJUSTER gives its unqualified assent. We are barbarians for withholding from our own kind this mercy which we extend to dumb animals. If it is right to preserve as long as possible the life of a human being stricken with an agonizing and incurable disorder it is wrong and cruel to shoot a horse having a broken leg.

* * *

Mr. Ryan, the Wall street speculator, who recently purchased and now owns the Washington Life Insurance Company and the Equitable Life Assurance Society, when questioned as to his motive for paying $2,000,000 for stock that gave him control of the latter, although it as an investment could pay but about 6 per cent on $200,000, its book value, replied in substance that he felt it was time that he was making an effort to benefit his fellows and that he knew no easier or more effective way of accomplishing this than by turning all the rascals out and stepping in himself. Of course, with Mr. Ryan, a million or two is not allowed to obstruct the way for a moment of so worthy a project. Thus another name is added to the interminable and intolerable calendar of millionaire philanthropists and the sky smiles all over.

* * *

Should any one discover Mr. Cleveland in the act of shedding perspiration in an endeavor to earn some small portion of that $12,000 salary voted him by the big life insurance companies it is to be hoped that, in justice to that gentleman, the fact will be given all possible publicity.

* * *

Why Have Your Fire Insurance in English Companies? American Fire Insurance Companies cannot do business in England, because an Englishman will not patronize them. Why should an American citizen insure in an English company, when American companies are the strongest? Of the four companies whose reports show a surplus to United States policyholders exceeding $7,000,000 — *none* are foreign. Encourage Home Industries by patronizing them, same as the English people do in their country. *Insure in an American company.*

The above anonymous advertisement is appearing in several New York papers. Why should an American citizen insure in an English company? Because in the selection of a company or any other medium for being relieved of his money for something which he wants more, he shares the right of every American citizen to make his own selection. Because he is not a Chinaman focusing his eyes in a teacup, but looks out over the rim. Because Englishmen patronize American companies and for most any other reason. But chiefly, I suspect, because the English in their pride, arrogance, uppishness and general all-round, bull-headed cussedness are so much like Americans that we can't avoid liking them, don't-cher-know.

A not particularly brilliant contemporary says:

In the casualty and surety branches in California personal accident business continues in the lead, though employer's liability premiums are likely to be on top in two or three years.

It is at least comforting to know that when "personal accident business" becomes tired of leading "in the surety branches," employer's liability will be in a position to step up and relieve it.

* * *

Thomas Lawson says that he could mention several competent investors who could so handle the New York Life's four hundred millions in the stock market as to return the company forty millions annually. Are these the gentlemen who once invested Mr. Lawson's money for him and neglected to pay over the ten per cent?

* * *

In casting about for something to admire my eye most fortuitously alights upon the following paragraph modestly concealed within the editorial columns of the Insurance Report:

It is impossible to adequately express deserved admiration for the remarkable ability of San Francisco managers. In the far East I find that they are looked up to with especial respect by the entire profession. As builders of consistent profit-making schedules, skilfully devised board regulations and intelligent classification records, the Pacific Coast underwriters reveal qualities of genius that seemingly belong to them alone.

In truth it requires an imagination of singular fecundity to conceive a more adequate expression of "deserved admiration" or, for that matter, of undeserved admiration for anything merely human than is voiced by this spontaneous outflow of long pent-up emotion. The San Francisco manager may now feel that he has not labored in vain. There have been times when he has despaired of wresting from fortune anything more tangible than the ordinary rewards of genius and his spirit has grown faint beneath the drudgery embraced between 10 in the morning and 4 in the evening with only two hours off for a club lunch at noon. Not infrequently has he inquired of himself: "What is the use of being a genius in a locality where all are geniuses and one's neighbor regards him as a rate-cutting, excess-commission-paying, agent-stealing old hypocrite?" An insurance genius is never appreciated in his own country—that is, in the way he wants to be appreciated. Even Cyrus King Drew, away over on the summit of Pike's Peak, where from his perch on the Report's tripod he can size up the East with the West, has been frequently lacking in the respect usually accorded a salary of ten or twelve thousand a year with contingent commissions thrown in. But things are set right at last; after weary years of waiting, to be sure, during which many a struggling and uncrowned underwriter has turned up his toes to the daisies, but at last all is made right, justice is done, the far East contributes respect and Editor Drew gently wafts a laurel wreath to headward of each deserving genius. Now, gentlemen, please resume your duties and do try to keep your leaves clean.

* * *

The celluloid film of a moving picture machine in a hall at Alton, Ill., flashed up one afternoon, recently and an audience of 400 small children was badly panic-stricken, but fortunately none were seriously injured. The use of unapproved moving picture machines should be forbidden by all city authorities. There are machines which do not flash.—Innitt in the Standard.

It is safe to say that our own efficient Underwriters' Inspection Bureau see to it that none of the several score moving picture machines operated in San Francisco are of the "flash" variety, although so far as the city authorites are concerned I will wager a mutual fire policy to a month's board at the Hall of Justice that they could not distinguish an approved pattern from a house afire.

* * *

A Chicago insurance journal published in Cincinnati says that Miles Menander Dawson is "a leader in the new life insurance sentiment or, more correctly stated,

he is the exponent of life insurance in its pristine form before the unnatural development led it to its modern stage." It is the source of a rare and prime delight to my enchanted soul that such expressions as the above are permitted to percolate through the understanding without imprinting trace of wearing friction. The bell-wether that tinkles editorial cadences from the business office of this contemporary apparently has no more idea of what the pristine form of life insurance was like than he has intelligent comprehension of its modern stage, for that Mr. Dawson has developed into a latter-day exponent of assessment insurance even his bitterest enemies will hesitate to affirm.

Did Not Cancel.

Here is something taken from the Insurance World that every local agent should read and remember. There is only one way to cancel an agreement, and that way is to place conditions exactly where they were before the contract was entered into.

Through the neglect of its agent at Little Falls, N. Y., to turn over the unearned premium on a cancelled policy of a hotel-keeper of Big Moose Station, in rural New York, the Citizens of Missouri are held liable in court for its proportion of $2,500 carried on the hotel with the Westchester and Thuringia as coinsurers.

The Becker Company of Little Falls, N. Y., was agent for the three companies, and after a small fire in the hotel which was adjusted for $53, the hotel-keeper was given notice that the policies would be cancelled within five days, which is the usual form of notice. There was added to this notice a request that the hotel-keeper return his policies to the agent, upon the receipt of which the unearned premium would be refunded. The hotel-keeper did this, but the agent neglected to pay him the unearned premium.

A fire a few days later totally destroyed the hotel and the hotel-keeper brought suit for his insurance. The companies claimed that the return of the policies of the agent was evidence that the insured accepted the notice of cancellation, but the court holds that as long as the unearned premium was not returned the companies are liable for the amount of their policies on the risk. The hotel-keeper had given the agent notes for other premiums and it is assumed the agent thought for this reason he did not have to return the unearned premiums, but as the notes were not due the court held otherwise.

The Metropolitan's Gift to Policyholders

Repeating its generous action of the last nine years, during which there was voluntarily paid by the Metropolitan in dividends to certain of its industrial policyholders a sum exceeding $5,500,000, there has been declared by the company this year a further cash dividend which it is estimated will amount to $650,000. This dividend, equivalent to ten weeks' premiums (about twenty per cent. of the premiums for the year) has been declared on all industrial policies issued during the years 1881, 1886, 1891 and 1896, and also, on all those issued during the year 1901 (except those on the increasing life and endowment plan, or those which have a dividend addition guaranteed), which shall be in force on their anniversaries in 1906, when the dividends will be payable. No dividend is payable on the increasing life and endowment policies, or policies containing a provision for guaranteed dividends, as they, by their conditions, receive an addition to the amount of the insurance, the equivalent of a dividend, which is payable in the event of death, or at the end of the endowment term, and which amounts are credited each year on the company's books. As has been the company's practice heretofore, there will be included in these benefits the industrial policies of all those companies whose business has been assumed by the Metropolitan which were issued in either of the years referred to.

The names of the companies whose industrial policies have been assumed by the Metropolitan and which have policies in the years named are: United States of Newark, Peoples of Norwich, Vermont of Burlington, Central of St. Louis, La Canadienne of Montreal, Citizens of Atlantic City, Pacific Mutual of San Francisco, Provident of Wheeling, Sun of Louisville, St. Louis Life of St. Louis, American Central of Indianapolis, Economic of Wilmington and Hartford Life of Hartford.

The movement among local casualty and surety men to get together for better practices is assuming shape. A second meeting held April 4th resulted in the appointment of a committee consisting of Messrs. Lloyd, Frank and O'Kell to formulate a platform. Manager Duncan of the Federal Union Surety Company and Frankfort marine, accident and plate glass insurance companies has been especially active in bringing about this much desired result.

DIGEST OF INSURANCE CASES

Compiled expressly for THE ADJUSTER

FIRE.

Guaranty and Concurrent Insurance Clauses—A clause in a policy by which the insured guaranteed to maintain 80 per cent insurance is not so inconsistent with a clause providing that the policy should be void in case of additional insurance without the consent of the company, so as to amount to a waiver of the latter provision.

Same—Breach—Where a policy contained a clause requiring plaintiff to maintain 80 per cent insurance, and also provided that the policy should be void in case of additional insurance without the consent of the insurer, the placing of additional insurance on the property without the insurer's consent, to an amount exceeding the entire value of the property, invalidated the policy.—*Woolford v. Phenix Ins. Co.*, 76 *N. E.* (*Mass.*) 722.

Pleading—Annexed Exhibits—Where a letter written by an insurance company is filed with a petition on a policy in order to show a denial of liability by the company, such as to constitute a waiver of proofs of loss, recitals in the letter denying the agency of a certain person for the company cannot be considered on a demurrer to the petition, which alleged such agency, in order to overthrow the same.

Insurance—Proofs of Loss—Failure to Furnish—Effect—Where failure to furnish proofs of loss is not made a ground of forfeiture in a fire insurance policy, it will not be given that effect.

Assignment of Policy—Mode of Transfer—Parties to a fire insurance policy are not bound to use a blank form of transfer printed on the back of the policy, in order to make an assignment thereof legal.—*Gragg v. Home Ins. Co*, 90 *S. W.* (*Ky. App.*) 1045.

Construction of Contract—Modifications of Policy—Civ. Code, Sec. 1647, provides that a contract may be explained with reference to extrinsic circumstances and the subject-matter. Section 1648 provides that a contract extends only to those things concerning which it appears that the parties intended to contract. Section 1651 provides that written parts of a contract control printed parts, and original parts control those copied from a form. An insurance policy covered, in separate items and for distinct amounts, a building and household furniture, and provided that the entire policy should be void if the building should become vacant or unoccupied. subsequently the furniture covered by the policy was moved from the insured premises to another house, and the policy was accordingly modified by an attached slip, on which was written "the second item of this policy is hereby made to read and cover as follows." Following the writing, the form printed on the slip was filled out, so as to provide for insurance on household furniture. This form contained a clause permitting vacancy during a change of tenants.

Held—That the attached slip modified the original policy only so far as it related to the insurance on the furniture, and did not modify the provisions relating to insurance on the house, and there could be no recovery for the destruction of the house by fire while vacant and unoccupied, contrary to the stipulations of the original policy.—*Alvey v. Continental Ins. Co.*, 83 *Pac.* (*Cal. App.*) 285.

Concurrence of Explosion—Apportionment of Damage—In an action on a nre policy, where the loss was caused by a fire resulting from an explosion of a gasoline stove, the fact that the damages attributable to the explosion and those attributable to the fire were not apportioned did not preclude plaintiff from recovering, in the absence of evidence that the explosion of itself did any damage.

Actions on Policy—Amount of Recovery—Difficulty of Ascertaining—In an action on a fire policy, where there is evidence of the loss of articles of value, the fact that it may be difficult or impossible to arrive at the exact cash value of the articles lost does not authorize the court to direct a verdict for defendant.

False Swearing by Insured—In an action on a fire policy, the fact that insured has made contradictory or untrue statements does not authorize the direction of a verdict for defendant, provided such

statements were made in good faith without intent to defraud.—*Walker v. Western Underwriters' Assn.,* 105 *N. W.* (*Mich.*) 597.

Concurrent Insurance—Stipulation—Construction—A policy insuring a building for $800, which stipulates, "$800 total concurrent insurance permitted, including this policy," permits other concurrent insurance, not exceeding $800.—*Western Assurance v. Ferrell,* 40 *S.* (*Miss.*) 8.

Breach of Condition—Waiver—Verbal consent of an agent to additional insurance waives a provision of the policy that it shall be void if additional insurance is obtained without the insurer's consent indorsed on the policy.—*Gorton v. Milwaukee Mechanics,* 90 *S. W.* (*Mo.*) 447.

Notice and Proof of Loss—Persons Required to Give—A mortgage, to whom a loss under a fire policy is made payable under a stipulation, indorsed on the policy, to the effect that the policy shall not be invalidated by any act or neglect of the owner, is not required to give notice and proof of loss; that duty being imposed on the owner.—*Adams v. Farmers' Mutual,* 90 *S. W.* (*Kan. App.*) 747.

Condition Against Incumbrance—An unrecorded mortgage is an incumbrance within the provisions of a fire policy making it void in case of an incumbrance by mortgage.—*Rhea v. Planters' Mutual,* 9 *S. W.* (*Ark.*) 850.

Action on Fire Policy—Installment Notes—Mistake in Dates—Evidence—Evidence in an action on a fire policy stipulating that it should be void while any installment note for the premium remained due and unpaid examined, and held to support a finding that the application for insurance was made in November, and that by mistake the installment notes were made payable on October 1st of certain years instead of on November 1st of such years, authorizing a recovery for a loss occurring in October of a year, while the note due in that year remained unpaid.—*Home Ins. Co. of N. Y. v. Clements,* 90 *S. W.* (*Ky. App.*) 973.

Delay in Suit—Excuses—In an action on a policy on an icehouse erected by a tenant on plaintiff's land, where an agent took a draft for the amount of the loss to plaintiff and asked him to indorse it, stating that he would also get the tenant to indorse it, and that the amount of the draft would be divided between them, and the plaintiff refused so to do, claiming the total amount of the draft, a contention that by the issuance of the draft the insurance company created a fund for the payment of the loss created a new liability, excusing plaintiff for failing to sue on the policy within one year from the loss, as provided by the terms, is not well founded.—*McArdle v. German Alliance Ins. Co.,* 76 *N. E.* (*N. Y. App.*) 337.

Sprinkler Leakage—Policy—Construction—A sprinkler policy insured plaintiff against direct loss caused by water discharged or that might leak from the automatic sprinkler erected in the portion of the building occupied by assured described, etc.

Held—That where plaintiff occupied the second floor of the building equipped with the sprinkler system while the fifth floor was rented to another, the policy did not cover a loss sustained by leakage of the sprinkler system on the fifth floor, which seeped through the floor and ceilings and injured plaintiff's property.—*Bottomley v. Royal Ins. Co.,* 76 *N. E.* (*Mass.*) 463.

Avoidance of Policy—Change in Title—Consent to Change—Where insured conveyed to insured premises, retaining a vendor's lien, and the scrivener who drew the contract of sale told the insurer's agent, who was present when the contract was made, that he could either cancel the policy and refund the unearned premium or transfer the policy to the vendee and thus keep the insurance in force for the protection of the vendor's lien, and the agent said that he preferred that the transfer should be made, there was in effect an agreement that the policy should continue in force, notwithstanding a stipulation avoiding the same in case of any change in the title of the property insured; and such contract was enforceable against the insurer, although the policy was not actually transferred in pursuance thereof.—*Springfield Fire and Marine,* 90 *S. W.* (*Ky. App.*) 577.

LIFE.

Right to Proceeds—Action by Heirs—Under Rev. Code 1892, Sec. 1551, providing that exempt property of a decedent shall descend to his heirs, and section 1965, providing that the proceeds of insurance on the life of deceased to the amount of $5,000 shall inure to the benefit of his heirs free from liability for his debts, prima facie

a life policy of $1,000 on decedent's life descends to his heirs, giving them the right to sue thereon; and if there are other policies, which with it aggregate more than $5,000, this is a matter of defense.—*Equitable Life v. Hanfield et al.,* 40 *S.* (*Miss.*) 21.

Rebating Premiums—Act of Soliciting Agent—Liability of Company—A foreign insurance company is not liable to the penalty imposed by Ky. St. 1903, sec. 656, imposing a fine on insurance companies allowing rebates on premiums, where the proof shows that a soliciting agent allowed a rebate contrary to the instructions of the company and its general agent and without their approval.—*United States Life v. Commonwealth,* 90 *S. W.* (*Ky. App.*) 970.

Life Policy—Conditions—Validity—An insurance company may lawfully stipulate that the policy is issued on the written application of the insured, and that no obligation is assumed under the policy, unless on the date of the delivery thereof the insured is alive and in sound health.

Breach of Condition—Effect—Under a life policy providing that no obligation is assumed unless on the date of delivery thereof the insured is alive and in sound health, the fact that between the dates of the application and the delivery of the policy insured was, on inquest, found to be insane, and was committed to an asylum, remaining insane until the time of his death, established such a breach of the contract as relieved the insurer of liability.

Waiver—Receipt of Premiums After Breach—Where, in an action on a life policy providing that the same should be void in case the insured was not in sound health at the time of delivery of the policy, evidence that, though insured was insane at the time the policy was delivered, defendant's agent, who took the application, delivered the policy and collected the premiums, received from insured's wife nearly 100 weekly payments after being informed that insured was insane and in an asylum, telling the wife, in response to her inquiry as to whether under the circumstances she should pay the premiums, that defendant company had paid many a claim "that died in the insane hospital," and that she was not responsible for what happened to insured after the policy was written up, showed a waiver of the condition.

Insurable Interest—Kinship—An uncle of one whose life is insured has no insurance interest in the life of the insured by reason of kinship.

Same—Public Policy—It is against public policy and contrary to law to permit any one to obtain insurance upon the life of a human being by assignment or otherwise, where such person has no insurable interest in the life of the insured.

Same—Assignment of Interest—An agreement, by which one-half of the insurance provided for in a life insurance policy was assigned and transferred by the insured and the beneficiary to one having no insurable interest in the life of the insured, upon consideration that the assignee was to pay the premiums as they accrued, contravenes public policy, and neither the assignee nor the beneficiary who participated in the tainted transaction can recover upon the policy.—*Metropolitan Life Ins. Co. v. Elison,* 83 *Pac.* (*Kan.*) 410.

Gifts—Inter Vivos or Causa Mortis—What Constitutes—To constitute a gift inter vivos or causa mortis, there must be a transfer of possession under circumstances indicating an intention thereby to at once transfer title as well as possession irrevocably. Inclosing the article in a sealed envelope, and handing the package to another with instructions to keep, but not to open it until after the death of the depositor, does not indicate such intention.

Trust — Declaration — Sufficiency—A declaration of trust, to be effective, must be explicit, absolute, and complete, vesting the equitable title in the beneficiary at once, though the transfer of the legal title may be deferred till the happening of some event sure to happen, as the death of the declarant. If the transfer of the legal title is to be contingent on an event which, though expected, may not happen, the declaration is ineffective. Thus a declaration made in contemplation of suicide, and to direct the disposition of the property after death by suicide, is ineffectual, since the intention to commit suicide may be abandoned.—*Northwestern Mut. Life v. Collamore,* 62 *Atl.* (*Me.*) 652.

Forfeitures—Forfeitures are not favored in the law, and courts are always prompt to seize hold of any circumstances to indicate an election to waive a forfeiture, or an agreement to do so, on which the party has relied and acted.

Waiver of Conditions—It is always open on behalf of the insured to show a waiver of the conditions, or a course of conduct on the part of the insurer from which might justly and reasonably be inferred that a forfeiture would not be exacted.—*Graham et al. v. Security Mut. Life,* 62 *Atl.* (*N. J. Err. & App.*) 681.

Agent—Authority—The agent of a life insurance company, the scope of whose duties was to write applications and collect premiums and turn them over to the company, could bind the company by the receipt of premiums with full knowledge on his part that the insured was not in good health at the time of the issuance of the policy, which provided that it should be void in case at the time of delivery thereof insured was not in sound health.—*Metropolitan Life Insurance Co. v. Willis,* 76 *N. E.* (*Ind. App.*) 560.

Paid-Up Insurance—Extended Insurance—Notice by Insured—Necessity—A life policy provided that the insurer, after default in the payment of premiums after premiums had been paid for three or more years, should be liable only for a paid-up policy for a fractional part of the face thereof as shown in the table of paid-up insurance, and declared that the insured, on default after payment of three annual premiums, might, by giving notice to the insurer within 30 days, elect, in lieu of the paid-up insurance provided for, to take extended insurance.

Held—That, as the provision for paid-up insurance went into force automatically on default in the payment of the premium, the insured could not substitute the extended insurance without making an election so to do.—*Michigan Mutual Life Ins. Co. v. Mayfield's Adm'r.,* 9 *S. W.* (*Ky. App.*) 607.

CASUALTY.

Proofs of Injury—Decision of Directors—Conclusiveness—Where an accident insurance policy provides for proofs of injury satisfactory to the board of directors the decision of the directors that the proofs are not satisfactory is not conclusive; the holder being only required to furnish proofs satisfactory to them, if acting reasonably.

Same—Matters of Defense—The holder of an accident policy need not, in his proofs of injury, negative his exposure of himself to unnecessary danger, which, under the contract, would be a defense to the association's liability; the burden being on the association to prove such defense.

Same—A disorder causing the giving way of a foot of the holder of an accident policy, so that he fell and was injured by an approaching train, was not, as a matter of law, a disease within the meaning of the policy, so as to preclude him from recovering for the injury.—*Noyes v. Commercial Travelers,* 76 *N. E.* (*Mass.*) 665.

Accident Policy—Notice of Injury—Where notice of an injury is received by an accident insurance company, and the company acts upon such notice, it is immaterial as to what relationship existed between the sender of the notice and either the assured or the beneficiary.

Same—Proofs of Loss—Where the conditions of an insurance policy provide for the filing of final proof of loss upon blanks furnished by the company within 30 days of the injury, and the company with knowledge of the injury, neglects to furnish such blanks within the time specified, such conduct on the part of the company is a waiver of the condition as to time.—*Continental Casualty v. Bachtel* 9 *N. W.* (*Neb.*) 707.

Accident Policies—Exposure to Danger—Questions for Jury—In an action on an accident insurance policy which contained a provision reducing the benefits in case insured should be killed by unnecessarily exposing himself to danger, whether insured or killed in consequence of his exposing himself unnecessarily to danger.

Held—Under the evidence, a question of fact for the jury.—*Continental Casualty Co. v. Hagarty et al.* 90 *S. W.* (*Ky. App.*) 561.

Pleading—Petition—Defects Cured by Answer—In an action on an accident policy, defects in the petition in failing to state that the injuries of the insured were received through an external, violent, and purely accidental cause, which, solely and independently of all other causes, necessarily resulted in his death, and in also failing to state that there were external, visible contusions on the body of the insured, caused by his injuries, which conditions were, under the policy, precedent to liability, were cured by an answer alleging that the injuries were not so received and that there were no contusions.

Action on Policy—Pleading—Variance—Where, in an action on an accident policy, the petition alleged that the insured was thrown against the floor and walls of a car and objects therein, while the proof showed he was thrown against the outside of a car while attempting to board it, there was no variance, under Civ. Code Prac., Sec. 129, providing that no variance between pleadings and proof is material which does not mislead a party to his pre-

judice.—*Continental Casualty v. Hunt,* 90 *S. W.* (*Ky. App.*) 1056.

MISCELLANEOUS.

Foreign Companies—Subjection to Local Requirements—The state has the right to impose conditions on foreign insurance companies as a condition precedent to their right to do business in the State, when such conditions are not in conflict with the Constitution or laws of the United States.

Same—Effect of Non-compliance—Action by Insurer—Defenses—Where a foreign insurance company has failed to comply with statutes imposing certain conditions and restrictions as conditions precedent to the right to make any insurance contract with a resident of the State, notwithstanding that the contract with a resident of the State is the contract of another State, the insurance company cannot recover thereon in the State.—*Presbyterian Ministers' Fund v. Thomas,* 105 *N. W.* (*Wis.*) 801.

Defending Malpractice Suits—Insurance Companies—A foreign corporation, the sole business of which, as authorized by its charter, is that of defending physicians and surgeons against civil prosecution for malpractice, which, in the prosecution and conduct of said business, issues and sells to members of the medical profession a contract whereby it undertakes and agrees to defend the holder of said contract against any suit for malpractice that may be brought against him during the term therein specified, but does not assume, or agree to assume or pay, any judgment that shall be rendered against him in such suit, is not engaged in the business of insurance, nor is the contract so issued and sold an insurance contract.

Corporations—Professional Business—Foreign Corporations—But a foreign corporation, created for the purpose of engaging in any carrying on such business, is not entitled to have or receive from the Secretary of State of the State of Ohio a certificate authorizing it to transact such business in this State, for the reason that the business proposed is professional business, and as such is expressly prohibited to corporations by section 3235 of the Revised Statutes of 1903.—*State ex rel. Physicians' Defense Co. v. Laylin,* 76 *N. E.* (*Ohio*) 567.

Policy—Time Before Which Action Cannot Be Maintained—Where a policy contained in a provision that no action at law should be maintainable before three months from the date on which the policy requires proof of loss to be filed, the insured was bound thereby, and a waiver of the provision requiring formal proof of loss did not constitute a waiver of the provision as time of bringing the action—*Davis v. United States Health and Accident Co.,* 62 *Atl.* (*N. H.*) 728.

The Frankfort Changes Quarters.

After many years at the old quarters at 208 Sansome street, the Pacific department headquarters of the Frankfort Marine, Accident and Plate Glass Insurance Company has been removed by Voss, Conrad & Company to the more convenient location at 318 California.

Manager Duncan by his conservative methods has made the Frankfort very popular in his large territory, and his extended experience with conditions on the Coast is sufficient guarantee that the business of this department will prove as profitable in the future as it has in the past.

"Fraternally Yours, Etc."

The odes, the rituals and the social features of fraternal organizations were never a substitute for life insurance. True, they have been made the tender to assessment insurance, but with woeful cost to the confiding ones. We notice a "call to arms" from the officials of some of these assessment concerns. The troublous times of some of our neighbors in the regular life insurance business have furnished the occasion for this revival. Beware the tempter! The few facts and figures here appended justify us in thus advising you, and may, in turn, satisfy you as to the wisdom of that advice:

1. During the past 20 years more than two thousand three hundred co-operative assessment and fraternal societies have failed and ceased doing business, thus leaving over ten million certificate holders nothing but the experience of having foolishly invested their money and also leaving their families devoid of protection.

2. Among the existing fraternal orders which strive to provide an insurance feature for their members, the struggle for survival is desperate. Those long enough in existence have discovered the fundamental errors of their plans for providing "cheap insurance" as their liabilities accumulate and their assets become a minus quantity. They have learned that the death rate increases with age and that provision must be made to meet the increased attendant cost.

INTERESTING NOTES OF THE PAST MONTH.

In the Fire Field.

President Sargent of the New Hampshire was a recent guest of General Agent Geo. H. Tyson.

L. G. Fouse, president of the Fidelity Mutual Life Insurance Company, is on his way to California.

The St. Paul Fire and Marine will erect a $750,000 structure on the site recently purchased in St. Paul for a home office building.

The Svea has re-insured its Iowa business in the Sun Insurance office and retired from the State. The premiums were less than $10,000.

The Standard Fire Insurance Tables, 1906, is a complete ten years' record and one of the most valuable charts published. Price 25 cents.

Mr. C. H. Bunker, until recently president of the Continental Casualty Company, is taking a much needed rest in California, preparatory to visiting the old world.

President William R. Clark of the Aetna Fire Insurance Company has been visiting Messrs. Boardman & Spencer, general agents for the Pacific Coast States.

The German-American Insurance Company has purchased 100 feet on Maiden Lane and 80 feet on Liberty street and will erect an imposing home office building on the site, modern in every particular.

Superintendent of Agents Unverzagt of the American Bonding Company of Baltimore during his present visit appointed A. G. Nason & Co. agents for Northern California and Fred S. Hughes for Southern California.

During the visit of President Clarence E. Porter last month the Spring Garden was placed in the Edward Brown & Sons agency in order to be with the American of Pennsylvania, of which Mr. Porter is also president.

Among the distinguished visitors last month was Vice-President Franklin W. Ganse of the Columbia National Life Insurance Company of Boston. Managers Walker and MacColl entertained him during his stay, which was made very pleasant.

W. L. Gazzam, for many years special agent in the Pacific Northwest for the Aetna Fire Insurance Company has resigned and on May 1st will devote himself entirely to the development of his personal interests. Mr. Gazzam owns three steamers plying on Puget Sound and this business will require all his attention.

President James W. McAllister announces the appointment of Charles S. Hollenshead, lately president of the Union Insurance Company of Philadelphia, as manager of the agency department of the Franklin Fire, to succeed the late Robert H. Wass.

The $100,000 stock of the recently organized Oregon Life Insurance Company of Portland, Oregon, is to be retired at the close of five years by the repayment of par value to holders. Directors are limited to stockholders who have carried a policy of $5,000 or over for five years.

Oliver Williams, general Western agent for the Northwestern Mutual Life, died last month, at Pasadena, from heart trouble. Mr. Williams had represented the company for twenty years in Colorado, New Mexico, Utah, Wyoming and Idaho, with headquarters in Denver.

Robert Dickson and associates have secured a controling interest in the Conistoga Fire Insurance Company by purchase of stock. The company will be amalgamated with the Armenia under the name of the Pennsylvania Underwriters, to do a general business. The Pennsylvania Underwriters will have $200,000 capital, $165,000 surplus and $135,000 reinsurance reserve, and Robert Dickson as president.

The Connecticut Fire Insurance Company has decided to issue a new form of policy insuring valuable live stock against fire, lightning, wind storms, tornadoes and cyclones on the premises described in the application; also anywhere in the State including periods when temporarily in breeding, livery and hotel barns and on fair grounds. A new dwelling-house policy has also been issued by the company, covering against fire, lightning, wind storms, tornadoes and cyclones.

Quite contrary to THE ADJUSTER'S prediction that the New Zealand Insurance Company of Auckland would lose money through being forced to compete with the government in its home country, that company made money and lots of it last year, in plain figures nearly $350,000. About $125,000 of this amount is placed in the reserve fund, $50,000 in the reinsurance fund, $75,000 to dividend account, and a balance of nearly $150,000 carried to new account. This looks like anything but hard times.

Life Insurance.

Benj. F. Stevens of the New England Mutual, is eighty-two years old.

Amicus wants to bet that the ratio of expenses to results attained in 1906 will be greater than in 1905.

Rufus W. Weeks, vice-president and actuary of the New York Life, is mentioned as a possible successor to President Alexander E. Orr.

President Joseph A. De Boer of the National Life of Vermont delivered an address before the students of Dennison University last month.

District Attorney Jerome of New York last month held that contributions by life insurance companies to political campaign funds was not criminal.

The Connecticut Mutual has amended its charter so that three directors can be retired annually and their successors be elected for a four-year term.

The late lamented John A. McCall is said to have left an estate, consisting of real estate and personal property, valued at $20,000, which is bequeathed to his wife.

The State National Life of Austin, Texas, and the Chesapeake Life of Maryland are new ones. $70,000 of the $100,000 capital of the Keystone Life of New Orleans has been paid in.

H. M. Gibbs, former special agent of the Western and British America at Philadelphia, has been promoted to the office of superintendent of agencies for both companies, with headquarters at Toronto.

The Security Life and Annuity Company of America, which has removed its headquarters from Philadelphia to Chicago, opened in its new quarters on the eighteenth floor of the Majestic building March 19th.

That contrast, in our February issue, between the small lapses and legitimate revivals of the Union Mutual and the enormous lapses and illegitimate revivals of the Washington Life, was as much to the credit of the former as it was to the discredit of the latter.—Coast Review.

The impairment in the capital of the Bankers' Life of New York has made good and a new board of temporary directors has elected William Hanhart, associate editor of the Banking Law Journal, president of the company. J. B. Doughterty, Jr., was elected treasurer, Frank G. Combes secretary and Eugene Van Schaick counsel.

The attempt on the part of Senator Colby of New Jersey to cause an investigation to be made of the Prudential by the Legislature of that State has failed. His resolution calling for the investigation was referred to the Senate judiciary committee, which reported adversely. He opposed the adoption of the report, but the Senate declared itself against him by a vote of 12 to 5.

The Equitable and Mutual life insurance companies of New York have reduced their fees for medical examinations. Replacing the heretofore uniform fee of $5, the following schedule goes into effect: $3 for each examination for $3,000 or less of insurance; $5 where the amount applied for is between $3,000 and $25,000; $7.50 between $25,000 and $50,000; and $10 where the amount is $50,000 or over.

Most emphatic denial of the charge made by Mr. Samuel Untermyer that the present administration of the New York Life had spent over $30,000 in prosecuting a campaign for retaining its present power was made by President Orr, of the company. The denial coming to the attention of Mr. Untermyer, that gentleman reiterated his former statements, declaring that if Mr. Orr had no personal knowledge of the matter he was sadly out of touch with what was going on in New York Life's offices—Insurance Chronicle.

Major Livingston Mims, says Insurance Record, who has been general agent for the New York Life Insurance Company in Atlanta ever since the close of the war and who was for many years prominent in the fire insurance business in the South as department manager for the Greenwich as well as for other companies, and who was also for several years president of the South Eastern Tariff Association, died on the 5th inst. of diabetes. Major Mims was for twenty years president of the Capital City Club and enjoyed a wide acquaintance with public men. He was an intimate friend of Jefferson Davis. He entered the Confederate service at the beginning of the Civil War and held at the close a position on the staff of General Joseph E. Johnston.

The Standard says: One of the Armstrong committee bills is apparently going to be rushed through the New York Legislature. This is the bill providing for the election of directors in mutual life insurance corporations. The measure postpones the annual election of directors of New York mutual companies to November 15 on which date it provides that the terms of office of all present directors shall expire. In its original form the bill also provided that all proxies executed prior to July 1

should be void; this provision has been amended by extending the time limit to September 15. If the bill becomes law before April 7, the annual meeting of the New York Life will be postponed to November 15 and the proxies given to be voted at the meeting will become void.

Casualty.

President H. G. B. Alexander and Vice-President L. C. Rose make a strong team for the Continental Casualty.

The railway installment franchise on the Alton has been secured by the Continental Casualty and the Standard Life and Accident, the Pacific Mutual retiring.

President Robert R. Armstrong of the Casualty Company of America spoke before the New York Assembly recently in favor of a bill entitled "An act to prevent the malicious promotion of litigous claims," which is intended to check shyster lawyers.

The new "Double Disability Policy" of the Casualty Company of America provides for the payment of the minimum weekly indemnity for two weeks or an adequate period of convalescence after the assured has been able to leave the house. The policy further provides for the payment of not less than 20 per cent. and not more than 90 per cent. of the minimum indemnity for 52 weeks, where assured cannot perform all his usual duties. If death results after 90 days and within two weeks after dismemberment, the company agrees to pay weekly indemnity up to the date of death plus the full amount of the policy to the beneficiary. Insanity and paralysis are also covered in the policy.

Case and Comment.

An insured who accepts a policy incorporating the provisions of another policy as part of the contract is held, in Conner v. Manchester Assur. Co. (C. C. App. 9th C.) 70 L. R. A. 106, to be bound by such provisions, although the policy referred to is in possession of the insurer, and is never seen by the insured, who knows nothing of its terms.

The institution of foreclosure proceedings against the real estate only is held, in Fitzgibbons v. Merchants' & B. Mut. F. Ins. Co. (Iowa) 70 L. R. A. 243, not to work a forfeiture of an insurance policy covering real and personal property, which provides that it shall be forfeited by the institution of foreclosure proceedings against the "property insured."

An open mortgage clause attached to a policy of fire insurance which merely provides that loss, if any, shall be paid to the mortgagee as his interest may appear, is held, in Collinsville Sav. Soc. v. Boston Ins. Co. (Conn.) 69 L. R. A. 924, not to create any contract relations between the mortgagee and insurer, or to give the mortgagee a right to participate in arbitration proceedings to fix the amount of loss and that, therefore, he will be bound by the award, although he was given no opportunity to be heard.

The Austin Fire.

General Agent C. G. Gates has moved the Coast agency of the Austin Fire Insurance Company of Texas into the Merchants' Exchange Building, where he occupies rooms 332-35-37 on the third floor.

During the time Mr. Yates has had charge of the company's interests on the Coast they have kept pace with their advance elsewhere. At the fourth annual meeting of the company John D. McCall was elected president, Walter Tips, vice-president and A. F. Hancock, secretary.

Last year the Austin received $279,417 in premiums and paid in losses less than $100,000. The company's loss ratio on net premiums was below 40 per cent. The assets of the company now amount to $673,904. Last year $62,000 was added to reserve and the policyholders' surplus cash brought it up to $377,000.

A Favorite Device.

One of the commonest methods by which non-resident brokers attempt to persuade property owners to accept their cut-rate propositions is to quote the names of leading standard companies with whom they promise to procure policies, using the names of these companies in such a way as to convey the impression to the property owner that they are party to the whole proposition. As a matter of fact these brokers expect to place policies with the companies named at full tariff rates and rules, and to make up their cut-rate proposition by writing the balance in weak companies or in foreign unlicensed corporations.—American Agency Bulletin.

Insurance Not Commerce.

The judiciary committee of the House of Representatives of Congress, to which was referred the question of national supervision of insurance by resolution of the house, has made its report, and the committee is practically unanimous in holding that there is no constitutional authority for Federal regulation of insurance.

The Continental Casualty's New Officers.

The friends of H. G. B. Alexander are glad to see him at the head of the splendid company which he has been so largely instrumental in developing and making popular throughout the country. Mr. Alexander is a man of strong personality and thoroughly competent. The opinion that he is the right man in the right place is strengthened by the knowledge that he not only understands, but is in love with his work.

L. C. Rose succeeds Mr. Head as vice-president and our own W. H. Betts, for several years resident manager of the Pacific Coast department, is elected secretary.

In the circular announcing the result of the election the company says:

This change will not in any way affect the conduct of the company's business or the well-established policies which are so familiar to its agency forces, but will add materially to the financial stength of the company, and should render possible a still more aggressive campaign and a still larger business. President Alexander, who has for the past five years been the general manager of the company, will continue his active personal management of all the company's affairs, and, surrounded with a staff of proven ability and unquestioned loyalty, will aim to make the company one which will attain to greater results, and, even more than in the past, one which will be a lasting credit to each and every person connected with it.

The retiring officials, Messrs. Bunker and Head, while not actively engaged in the management of the company, are yet interested in it, and bespeak for their respective successors a continuation of that fidelity and earnestness of purpose on the part of the company's agency staffs which has rendered their shares in the elevation of the company to its present position tasks comparatively easy and wholly gratifying.

Mr. Alexander has had the practical management of the company in hand and is very popular with the agency force of the big company. He is now chairman of the executive committee of the International Association of Accident Underwriters and a member of the executive committee of the Board of Casualty and Surety Underwriters. He has been for two terms president of the Detroit conference and in these different capacities has been instrumental in introducing many reforms in the business.

L. C. Rose, the new vice-president, is connected with the Colonial Trust and Savings Bank and a well-known financier.

Mr. Betts has been at the head of the San Francisco office for several years, where he has not only displayed marked ability, but has earned a popularity that is the natural result of a pleasing personality and polished address. Mr. Betts goes East to assume his duties about the middle of the present month.

A Word for the Yellow Press.

District Attorney Jerome of New York, speaking at a dinner recently, paid his respects to the yellow journals in part as follows:

I am going to see that those who come within the criminal law are punished; but the way to convict is with the evidence, not, as Judge Parker says, by availing of the popular clamor. What has been the effect of this? I was informed the other night by a director of the Mutual Life that nearly one hundred millions of dollars in policies had lapsed in the last year. What policies were they? Those from $1,200 to $3,000, the policies of the poor, had lapsed. They had taken the advice of these wild newspapers. No one could doubt that these companies are as solvent as the United States Government, but they had been scared by these hounds of "yellow" journalism, and the poor motormen and conductors and mail carriers have let their policies lapse. The newspapers had driven from their protection the wives and children of the poor.

Gentlemen, the real terror is not what has been told you. The real evil in this insurance situation is that some 18 or 20 men can control hundreds of millions of quick moving assets, can sit in their club and can make the game of finance a brace game if they want to. The great evil is in that. You can't pick out 18 or 20 men so good that the power of one billion and a half of dollars should be entrusted to them.

I feel bitterly, my friends, in one way—not personally—but I feel bitterly that my people should be swept off their feet by such circumstances as these, that educated men should bark down the pike like half-bred curs led away by Hearst and the other unspeakable. I don't mean Mr. Pulitzer; he is getting old, and cannot check up the actions of his hirelings. I mean that unspeakable bunch he has to rely on for the conduct of his paper.

Are we going to resort to a government of the newspapers, for the newspapers and by the newspapers? If so, public officials will soon lose their nerve. They forget that they are put in office to use their judgment and not the judgment of editors.

Conceive how little the educated man thinks when an editor writes an editorial addressed to the district attorney appealing to him on his reputation. The district attorney that is moved by this commits a crime.

Stop and Think.

Some things in the comments of Mr. Eldridge upon Section 94 (the elections bill) which we quoted last week, deserve renewed and very careful consideration. Every campaign, he says, requires an expense fund. The general body of voters have never made and never will make up that fund; it has always come and always will come "from the pockets of those who expect specially to benefit from success."

If anybody believes that Lawson (who says he has expended one or two hundred thousands of his own money) is working unselfishly for the people, he has a faith equal to believing anything and to moving mountains; we have nothing to say to him. But who are putting up the fund in this reform campaign—and why? Who puts up money for the so-called policyholders' associations—and why? Lawyer Untermyer has his warpaint on and his brand of paint is not cheap; he has been to Albany and he lately went to Columbus to work upon the Ohio legislature; who is paying him—and why?

Mr. Eldridge also points out that these reform campaigners who are working to get control themselves "count for permanence, on the reactionary collapse of interest which will follow." Let us once get inside (they say to themselves) and we can stay in; the very fact that a change in persons has been made "will lull watchfulness to sleep."

What Mr. Eldridge says about the sources and motives of campaign contributions is literally true; it agrees with the nature of the case and with universal observation. And is not the rest plainly true also? The hard, plain fact is that all this talk about policyholders coming into their rights is campaign stump-speech; what we have now—for the first time—is a locked-horns struggle for the control of over a billion dollars. It is time for plain speaking, and that is the unvarnished truth. Moreover, if these outside contestants can once get inside, they not unreasonably assume that the newspapers will turn to other subjects and the collapse of public interest about this one will be their practical entrenchment.—Insurance.

A. A. Andre, an adjuster connected with the office of Edward Brown & Sons, died last month of dropsy.

The New Life Insurance Company.

The West Coast Life Insurance Company is installed in handsome and commodious offices in the Rialto Building, New Montgomery and Mission streets, this city, and, having been duly licensed by Insurance Commissioner Wolf, is writing business.

The West Coast starts out with $200,000 cash capital and a cash surplus of $300,000. Strong men are behind it, both in wealth and experience.

The officers are: George A. Moore, president; Thomas L. Miller, vice-president; Edward L. Dorn, second vice-president; Julian Sonntag, secretary; Mark L. Gerstle, treasurer; E. L. Wemple, medical director; Edward Topham, assistant medical director; M. B. Kellogg, F. P. Deering, attorneys; directors, L. P. Behrens, Max J. Brandenstein, John C. Coleman, Henry J. Crocker, Maurice Casey, E. L. Dorn, F. P. Deering, M. Fleishhacker, Mark L. Gerstle, George U. Hind, Charles Webb Howard, M. B. Kellogg, A. J. Merle, J. Henry Meyer, C. O. G. Miller, T. L. Miller, Charles C. Moore, George Allen Moore, George A. Moore, H. H. Noble, V. J. A. Rey, W. B. Reis, H. B. Sperry, Kirkham Wright.

Superintendent Thomas Foster has been placed in charge of San Francisco district at 738 Mission, the Scott-Van Arsdale Building, where he is in position to make good contracts with desirable agents for industrial work.

In Los Angeles Superintendent C. H. Barrett will act in similar capacity and Sacramento is in charge of Assistant Superintendent J. W. Ross. Superintendent F. J. Whitney will look after the industrial business at Oakland.

The company will write both ordinary and industrial insurance and issue annuities. Business will be written on a 3½ per cent interest reserve basis with the first year having a preliminary reserve. Policies will be sold on both the participating and non-participating plans.

The home offices in the Rialto Building are conveniently arranged and very handsomely furnished in substantial oak and leather and occupy the sunny side.

Removal Notice.

Duncan and Rehfisch, general agents for the German Fire of Peoria, Ill., and the Federal Union Surety Company, have moved from 208 Sansome street to 318 California street, where they will have every convenience for the accommodation of their rapidly growing business.

EXPLAINING FIRE INSURANCE PROBLEMS.

Louis S. Amonson Before the Students of the University of Pennsylvania.

While the fire insurance companies organized in the United States during the last decade of the eighteenth and the early part of the ninteenth century primarily came into existence to meet the immediate needs of their respective home towns, it became early apparent that a strictly local organization confining its writings to one city could not hope for the distribution and security afforded by the conduct of business in widely scattered localities. Hence the need for an agency system through which to-day the bulk of the fire insurance of the country is written.

I have always felt that we cannot be merely collectors and distributers of the insurance tax, reserving a profit for the trouble and interest on the capital invested. We owe to the public to study and impart the knowledge by which the squandering of our great national resources in the common ash heap may be reduced, and it is a matter of pride to all underwriters that while much still remains to be done, much has also been accomplished by the fire insurance interests to lessen the fire waste and lower the cost of insurance. To-day this work is being prosecuted with the greatest energy and vigor, and the general application of schedule rating, by which the careless or ignorant owner is made to pay for the conditions that lead to the destruction of property has proven a valuable factor in our educational work.

It is a pity that in some States short-sighted legislators have made it a crime for the companies to combine in securing the adjustment of proper rates by which dangerous conditions can be effectually penalized and the prudent owner reap the benefit of his superior care.

It is only by concerted action that correction of loss producing hazards can usually be effected. Yet co-operation in this respect has been made difficult in every State where a so-called Anti-Compact law prevails, if not impossible—adding to the difficulties confronting agency managers and increasing the cost of insurance by adding to the loss ratio and also to the expense of doing business under the misguided impression that fire insurance companies are governed solely by short-sighted mercenary consideration. There are probably few underwriters who would not gladly see the insurance cost to the people reduced by a reduction of the loss ratio, and directly or indirectly every company manager is working to that end by insisting that every needless cause of fire shall be paid for until removed. On property protected by automatic sprinklers where rates have almost reached the vanishing point the companies are fiercely competing for a share even at the low premiums, as the losses have been reduced to an equal degree.

Fire insurance from its very nature cannot safely be local in its character. It must be conducted in as broad an average of localities as possible that the chance for complete disaster to the individual company may be modified. To-day, therefore, the bulk of the business is written by companies doing a more or less extended agency business, who secure up to 90 per cent and more of the premiums written away from their home town, and to whom the agency system well planted and developed is essential for growth and progress.

To handle the organization required for this purpose effectively and economically is, therefore, the problem that confronts the agency manager—a problem in which the conditions are always changing, and in which the results of yesterday are by no means an absolute guide for to-morrow. In no other profession is there, consequently, more need for executive talent, for greatness of heart and mind, for tact and the power of adaptation, combined with a wide experience and liberal technical knowledge, and in no other profession is there a greater readiness on the part of even the recognized leaders to disclaim a complete mastery of the problems presented, or greater willingness to learn the truth taught by the lessons of each day.

The fire underwriter as an agency manager is required to have not only the executive ability needed for any large business—he must have a well-grounded knowledge of all industrial and commercial conditions, with architectural, chemical and mechanical problems added, together with a general knowledge of court decisions bearing on insurance, and the operation and application of a multitude of conflicting laws in each of the States and Territories.

To properly handle a large agency system thorough organization and subdivision of authority is required. This sometimes takes the form of general agency appointments at important centers, clothed with full authority to appoint field men and local agents, and responsible to the home of-

fice only for the general results, or department organization at the home office, with the entire field reporting direct.

In either case the special agent is the long arm of the company, reaching into every town and village; the tireless missionary and educator in the field to whom the entire business owes a debt of gratitude for constructive work and material progress in the days gone by, and now, and my remarks would not be complete without touching upon the important work committed to his care.

In his field, sometimes embracing a group of States, sometimes a single State, according to the strength of the company and volume of business transacted, he is the company. It falls to his lot to secure the local agents, to inspect business and authorize lines, to adjust losses and collect overdue balances, to execute the policy of his manager, and keep the company informed of current developments. While of recent years the making of rates is more and more passing into the hands of rating bureaus, and the application of rating schedules will probably in time be entirely delegated to expert specialists, it is well to remember that in earlier days, and today in many sections, this work still devolves upon him.

It follows, therefore, that a properly equipped special agent requires qualifications above the average to secure the highest success for his company and himself, and this fact has been frequently recognized in the promotion of field men to important executive position many, perhaps most, executive officers of companies having attained recognition through this channel of promotion.

The Anti-Compact laws of various States resulted in the establishment of independent rating bureaus, employing their own inspectors to apply schedules, and selling the published estimates of the relative values of risks to the companies interested, but where such laws prevail it is very difficult to secure uniform action, and the property-owner whose criminal carelessness often endangers his neighbor as well as himself is encouraged by the difficulty of securing joint action among the companies to make him correct the dangerous conditions or pay for them in the rate. Ultimately, I am confident rate-making will be made much more of an exact science than it is today, and in time not only the large cities and anti-compact States, but the entire field, will be rated by bureaus, having also, perhaps, charge of an inspection service for the benefit of all the companies subscribing to same.

This will not mean the passing of the special agent—on the contrary, his time will be free for the important function of building up and developing the agency system of the company he represents, if he does not specialize and conduct the loss adjustment or the rate-making, or the inspection service for all the companies jointly in a concentrated portion of his former field. There is today, undeniably, an enormous duplication of work that should be done well only once, instead of indifferently a hundred times, and there are few managers of companies today who have not given this problem serious thought. The evolution of the agency business must mean ultimately a concentration of energies resulting in greatly improved product for the same expenditure of time.

Standard daily reports, standard accounts, with standard blanks to cover all the standard needs of the business, including standard policies now in use and standard proofs of loss, would greatly simplify the situation, at least from the local agent's standpoint, reduce the possibilities of blunders and give general satisfaction.

All modern tendencies are in the direction of simplicity and uniformity, where no special ends are served by a peculiar and individual gauge, and what has compelled the mechanical and mercantile world to seek for standard fittings will also, in my opinion compel the progressive section of the fire underwriting world to get together in the adoption of various standard blanks, by which the agency business of the country may be facilitated.

I also look forward to the time when a standard classification system, suitable alike to the needs of the large as well as the small company, may be provided. Such a system is essential as the basis for an intelligent and scientific rating system, and must be capable of as much detail information as might be required by the ten million dollar premium company, and yet capable of a simple grouping so that the experience of the many small companies may not be lost in tabulating the entire experience of the country. I have in mind just such a system, and believe that its adoption or something similar will before long be deemed essential in justice both to the companies and to the insuring public.

In co-operation lies the great hope of the future for a just apportionment of the fire tax, and a reduction of the expense, which all underwriters must agree is excessive, with joint loss adjustments, joint inspection service, joint rate-making, and a common classification of results, together with standard forms of all important blanks.

If underwriters can be brought together on these points, a long stride will be made in the direction of progress, and with a better understanding of the situation, I believe the State Legislature can be induced to permit the necessary co-operation in fields where the laws are now prohibitive of the co-operation essential to a successful solution of the great fire insurance problems at the present day.

A PROTEST.

Mr. Durham to the Armstrong Committee.

President Sylvester C. Dunham of the Travelers, in behalf of his company has entered a protest against "An act to amend the insurance law generally," at present pending in the Assembly of the State of New York.

While admitting that it is the duty of the legislature of New York to make laws for the government of its own people and corporations, Mr. Dunham calls attention to the fact that every State owes to every other a certain comity whereby the laws and institutions of each are recognized and respected, a condition which the law-makers of the Empire State appear to have temporarily lost sight of.

"Unless," says Mr. Dunham, "the legislatures or the insurance departments of the companies of other States have done something or are about to do something to forfeit the confidence of the people of New York, it is submitted that they may still be intrusted with the management of their own domestic concerns. And unless the emergency in that respect is one of unusual gravity it cannot justify a radical departure from the present tendency in the direction of uniformity."

The writer admits the right of New York to impose upon companies of other States any conditions it may choose to enact, but disputes the wisdom of departing from well-established principles of comity to inflict upon them terms with which New York and its companies would be unwilling to comply elsewhere and with which they could not comply without violation of the laws of New York.

Continuing Mr. Dunham says:

"Most of the requirements of the acts proposed by the committee are of a general character that can and should be met by all companies whether domestic or foreign. Among these are the following:

"'No company should contribute to political parties. Officers and directors should not receive commissions or other profits upon investments. Statements should be so made that the public will be fully informed concerning every company's affairs. Misleading estimates as well as rebates by agents should be strictly prohibited. Accounts and vouchers should disclose facts and should never be employed to suppress them. Reasonable limitations should be prescribed against inflation of volume by any company, and a standard of solvency should be adopted sure to protect every policyholder.'

"Upon such questions as these any State may properly regulate the affairs of its own companies and require of other companies no less than they do of their own, wherever they transact business.

"In other respects companies should be governed by the law of the State of domicile. For example:

"1. A State may properly adopt standard forms of policies and enact that no others shall be issued within the State by either domestic or foreign companies. This is provided by Section 102, which does not prescribe the use of New York standards in other States. The principle of comity in legislation is thus recognized, and like recognition in other provisions of the bill is respectfully suggested.

"2. Section 103 is not consistent with the principle observed in Section 102, because it defines the kind of policies companies of other States shall write not only in New York but elsewhere. By limiting the operation of this section to business written within the State, companies of other States can obey its requirements without forfeiture of the franchises with which their own States have entrusted them, and which they can exercise at home and in other States without injury to the people of New York.

"3. The scale for contingency reserves proposed in Section 87 should apply to New York companies only, because the legislatures of other States may adopt a like measure, but may believe a larger or smaller reserve should be maintained and so enact. In such case no company could comply with both, and New York companies would be excluded from such other States as well as the companies of such States from New York.

"4. The proposed act makes it the duty

of the New York department to examine once in three years every company doing business in the State, and nowhere provides that a certificate of solvency and good standing may be accepted in lieu thereof. On the other hand, the departments of other States must accept the certificate of solvency and good management by the New York superintendent respecting New York companies, failing which the superintendent may forthwith cancel the authority of every company organized under the laws of such States. If other States should adopt like statutes neither could accept the certificates of any other, all would resent the discredit cast upon them by the legislatures of other States and a somewhat uniform infliction of the penalty might be expected. Instead of reciprocity, retaliation would surely prevail.

"5. Investments may well be left to the home State. The present statutes of leading States are conservative, and investments under them have not been of such a character that New York need feel called upon to correct abuses beyond her borders. No reasonable objection can be made to a law excluding companies of other States holding such stocks as may be used for an improper control, influence or advantage over other corporations, but in general the laws of every State should be framed upon the assumption that others will legislate wisely and with enlightened conservatism. Corporate government fairly within the province of States from which the corporate franchise is derived may be safely left with such States until there is reason to believe it will be improperly exercised.

"These observations apply to most companies of States other than New York as well as to The Travelers Insurance Company which I represent. What follows relates especially to a class of companies of which The Travelers is one:

"This company was incorporated forty-two years ago in Connecticut. It is a stock company having a substantial capital paid in and owned by about four hundred stockholders, who hold its shares as an investment. During its entire career it has been the exponent of non-participant low cost insurance, upon which plan more than 90 per cent of its outstanding business has been written. Under this plan the policyholder pays a definite premium for a definite amount of insurance and no plan has yet been devised that furnishes larger results for the premium paid. Its reserves are computed upon a basis of greater security than that required by law, and a surplus is maintained adequate to meet any emergency. A company so organized is less exposed to inflation, extravagance and display than one whose premiums include an overcharge that may be so used, and for the further reason that all unwise expenditures must be borne by the stockholders whose interest is subordinate to the much larger one of the policyholders and who will not permit anything calculated to imperil or impair their investment.

"The interests of the public in such a company would be abundantly protected by requiring a separate account of all the affairs of the participating branch (as it now renders separate statements of its Life and Accident departments), charging it with its proper expenses and no more and giving it credit for its premiums and all they produce for distribution to participating policyholders. But respecting its non-participating branch the company is an insurance merchant, selling insurance to its customers, obtaining and holding their patronage upon the merits of its wares, whose most valuable possession is its good name which must be maintained by practicing a square deal.

"There is no reason why such a company should not be permitted to accumulate a surplus greater than that limited by the scale proposed in Section 87. The surplus earned by economy and by good selection of risks belongs to the stockholders, and if they choose to leave it invested in the business they thereby improve the security of their creditors, the policyholders, and injure no one.

"For like reasons such a company does no injustice by the use of a moderate part of what it saves in the development of new business. This doctrine applies with peculiar force to stock companies writing non-participating insurance for these reasons:

"1. It is assumed that one object of any legislation will be to develop the business of life insurance, so long as it is carried on under proper conditions, and that under such conditions all desirable forms of insurance will be permitted. Without comparing the relative merits of participating and non-participating insurance, it may be recognized that each has its advantages and that in order to maintain beneficial competition and avoid the evils that result from a monopoly of any kind both forms should be offered.

"2. To maintain proper development, a company should write every year new business greater than the cancellations of the same year. Under the most economical management a large part of the expense of conducting a life insurance company must be appropriated to this object. The expense

of new non-participating business should not differ materially from the expense of new participating business. But the proposed bill permits a first year's commission for participating business about 60 per cent greater than it permits for non-participating business.

"3. This discrimination against non-participating business is not only unjust but is unnecessary, because that class of business is done chiefly by stock companies whose interests are against extravagant expenditures which must be made, if at all, at the expense of the stockholders and not of the policyholders.

"4. A stock company may properly invest its surplus earnings for the extension of its business under such suitable restrictions as may be imposed by its home State, if the stockholders desire to make such an investment rather than withdraw their profits from the business.

"The recent discussion of Federal regulation of insurance has led to renewed and united support of the cause of uniform legislation by the States as the better remedy for the evils that result from diverse and conflicting legislation. The interest and patience with which this committee listens to suggestions offered not only by the citizens of this State but of many others, indicates its sympathy with that cause. The changes proposed are designed to promote it by making the provisions of the bill such that they will be acceptable to other States, if enacted by this legislature, and also acceptable to New York if enacted by the legislatures of other States."

Let Us Reason Together.

If we could take hold of a member of the Legislature by his ample ear, we could say to him, privately and very seriously, something like this:

1. Nobody denies that mistakes have been made and some wrong things have been done, in life insurance practice. It has been in the hands of fallible men. Perhaps your honorable self is not quite impeccable; and candidly now, between ourselves, do you think the Legislature of New York has treated life insurance in the past rightly—with wisdom, justice and real honesty?

2. Publicity has settled that certain criticised acts will not be repeated; the men who did them are dead, incapacitated, or gone. In important respects, the practice was already "reformed" before your committee sat down to compose its report.

3. More publicity is needed, as a corrective and preventive, and it will be effective as such; nobody gainsays that. Your committee has gone in on the proper line of more publicity, but far too heavily. The annual reports ought to be somewhat more in detail; but the committee would enormously overdo this—going into details which would be of no value and would be exceedingly troublesome and costly to "get up," especially as it would come at a very busy time of the year. Just here, we may inform you that some of the data demanded by the committee of the smaller companies—data of no value intrinsically and never used—did prove troublesome exactly in this way. The publicity proposed by compiling policyholders' lists and exposing them to view would also be costly, vexatious, mischievous in many ways, and utterly useless withal. The objections to this are more serious than you have as yet begun to comprehend.

4. The publicity which the committee properly sought to provide is thus twisted and overdone. Mismanagement in the past let us say (for that is very nearly the exact truth) has been caused by a lack of trusteeship fidelity. The committee should have bent all its energies to devising some workable means of securing to life insurance the benefit of business knowledge, business experience, and business integrity which trustees are supposed to possess. To make directors direct is a hard task—but the committee has not tried to solve it. Can you see how to do it, since your delegated agents neglected it?

5. The committee mishandled publicity, and omitted to study board responsibility, thus leaving undone the two things that should have been done. On the contrary, they rambled off into "an utterly impracticable attempt to prescribe details."

6. Principles and broad highways may be declared by statute; details should be left in the utmost freedom. It must always be true that those who have had experience in doing things know best how to do them. A lawyer may be the noblest work of God; but when it comes to setting lawyers to saying how life insurance work shall be done—would you let a bishop shoe your best horse, or a farmer build a suspension bridge?

7. But even if you think that an insurance journal is put out of court by being biased, and that life insurance does not require any study, do you agree with the Brooklyn Eagle that it is wise to enact a bunch of crude laws in a hurry now and amend them, next year or later, after it is discovered how much mischief they do?

Should we swallow some unknown mixtures without inquiry, and when they begin to gripe, run around to the druggist and rely on his compounding an antidote? —Insurance.

Limiting Business and Expenses.

Henry W. Odion writes thus on the recommendations of the Armstrong committee affecting expenses and limiting the total amount of business written during the year:

"It is apparent that the plan for the limitation of new business must be applied in connection with the plan, or some plan, for the limitation of the expense of getting the business. Under the expense rates that have prevailed, many of the companies have been obliged to limit the amounts of insurance issued, the margins of surplus not warranting large drafts for expense in excess of the loadings on the net premiums. They could not today write paid-for business up to the limitations indicated in the table.

"For the limitation of the expense of getting new business the committee proposed the following 'as a proper standard for reasonable and profitable expenditure for new business, that the expense of new business should not exceed the loading on first-year's premiums plus the present value of the mortality savings on a conservative basis for five years after admission.' To make the mortality savings available in the case of a new company, or of a company that distributes its gains annually, the committee proposed a change of the laws that regulate the reserves, so that the reserve in the first year shall take into consideration the expected mortality gains for the ensuing five years. The proposed system for reserves bears the title of 'Select and Ultimate,' its intent being to provide for select mortality for the first five years, and the ultimate mortality afterward. It has been considered the fad of one actuary.

"The committee presented the following tables as a conservative assumption of the ratio of actual mortality to the expected mortality, the latter being based on the American Experience Table of Mortality, during the first five years:

	Per Cent.
First insurance year	50
Second insurance year	65
Third insurance year	75
Fourth insurance year	85
Fifth insurance year	95

"In other words, the committee suggested that it would be safe to assume that, taking the persons insured in 1905, for instance, only one-half of those expected to die, according to the American Experience Table, are likely to die, according to the experiences of the companies, and so on, with the changes of percentages, for the following four years.

"If the established data of mortality savings during the first five insurance years be sufficient to warrant the committee's assumption and the proposed enactment to allow the amount of the present value of the probable savings to be used in covering the cost of getting new business, why not have the calculation extended for the whole life period, and the cost of insurance based on the new data instead of on the American Experience Table of Mortality, that is the present established basis in most of the States? With the present assumed rates of interest, the scheme would bring about a reduction of premiums—and many failures in the long run. It will not pay to fool with the established tables of mortality. The experiences of the companies in assuming rates of interest ought to give sufficient warning of the danger of too close assumptions.

"If it be considered wise for the State to legalize guessing matches on mortality savings during five years, why not provide for the assumption of a lapse ratio, forty companies doing business in this State having had policies to the amount of $413,466,300 terminated by lapse in 1904, a very large proportion of which was first year's insurance? Perhaps persistent premium payers might object to the putting of early mortality gains and forfeitures away from the surplus for so-called dividends for the reduction of their premiums.

"Undoubtedly the recommendations of the Armstrong committee, apart from the encouragement expressed, favor the formation of new mutual life insurance companies. Some of the plans hinging on others, it is difficult to forecast the probability of the formation of new companies. It is reasonable to assume that, in the event of the passage of the revolutionary bills, the affiliations of some of the companies are likely to be broadened. Limitation of insurance for large companies may be met by distribution by them to small companies.

"Considering the radical and far-reaching nature of the bills for the reorganization of the life insurance business, it would seem to be fair to have the whole subject referred to a commission for revision, the judgment of experts to be expressed more fully than the recent investigation permitted."

Mann & Wilson have appointed D. W. Pierce to be superintendent of agencies and B. L. Penfield special agent.

Metropolitan Plate Glass and Casualty.

The figures of the latest statement of the Metropolitan Plate Glass and Casualty, giving the result of the company's operations in 1905, show decided gains in assets and reinsurance reserve, $36,341 being added to the latter item and $27,131 to the former. The surplus to policyholders is now $392,176. The casualty and health department, inaugurated last year, wrote $67,000 in premiums, with a loss ratio of 20½ per cent. While progressive, active and up-to-date, there is no more conservative company than the Metropolitan under President Winslow's management.

Gasoline.

Seventeen serious accidents were from gasoline being mistaken for kerosene, either by the user taking the wrong can or by a dealer filling a can from a wrong tank, and in seven accidents gasoline was mistaken for water. A mother brought gasoline from the store in a tin bucket and her daughter filled the coffee pot with it and was burned to death by its explosion.

A barber washed some wigs in gasoline and put them in a drawer. Soon a streak of fire was seen from the stove to the drawer and the wigs were consumed without firing the building.

To dispose of gasoline after use by pouring it into a sink or house sewer is to invite calamity, for it floats on water and continually gives off its vapor. Cleansing with it should be done in the open only. When dirty it should be thrown upon ground, which will absorb it, while the four winds dissipate its gas.

Clothing can be chemically cleansed by ammonia or benzine soaps without danger. A safe substitute is gelatinized in which 25 per cent benzine is added to a mass of soap, water and ammonia. It can be handled without spilling; the amount of vapor given off is slight and the amount of inflammable material in it is small.

COAST NOTES.

F. A. West has been appointed manager of the Home Fire and Marine's city department.

President J. D. Browne of the Connecticut Fire has been the guest of Manager Benjamin J. Smith.

A. W. McFarland, former agent for the Prudential in California, has taken the agency of the Illinois Life for the State of Washington.

Col. James B. Day, recently manager of the Travelers' Columbus, Ohio, office, is contemplating taking up his residence permanently in Southern California.

D. B. Wilson, one time manager of the Continental's Coast department, has located in Portland, Ore., where he will do adjusting for fire insurance companies.

Genial Edward Hall, special agent of the Royal Exchange at Portland, Oregon, visited San Francisco last week. He reports a wonderful development in the Pacific Northwest.

During the recent visit of General Agent Morton of the Fire Association of Philadelphia additional facilities for writing business were granted to their Coast representatives, Gutte & Frank.

Lloyd, Gilbert and Robertson, incorporated, will represent the National Surety on the Pacific Coast, the American Bonding Company, previously represented by F. B. Lloyd, going to Arthur G. Nason.

Joseph Lester Parsons, general manager of the North River who has been the guest of Manager Stovel, is accompanying that gentleman on a trip through the principal towns of the Pacific Northwest.

At the next directors' meeting of the Washington Fire Insurance Company of Seattle, to be held April 15th, the company will call in its full capital stock, i. e., $250,000, during the present year.

The Washington Fire Insurance Company of Seattle entered the State of New York for business on April 1st. Lessen and Thompson have been given the general agency for all territory east of the Mississippi.

The Imperial Fire Insurance Company, organized in Denver by H. T. Lamey of the British America and Western of Toronto and F. H. Rhoads of the Continental has been doing a good business since February 1st.

James H. Blagge, well known in life insurance circles, has left the Conservative Life to accept a responsible position with the Columbian National Life. Mr. Blagge's headquarters will be at the Los Angeles office of the company.

C. R. Harold has been appointed special agent for Western Washington and E. H. Brooks special agent for Central California by General Agent George H. Tyson. T. R. Roberts has severed his connection with Mr. Tyson's agency.

Indorsement of the New Salt Lake Board by the Pacific Coast managers was secured under the stipulation that as non-

boarders were to be admitted to membership the competitive rule against non-boarders should be abolished.

TO LET—A casualty, bonding, building and loan, or any other business excepting life insurance, can secure desirable front offices on long lease, best location in San Francisco. Address, THE ADJUSTER, 303 California street, for particulars. Floor space, 50x16. This is a snap.

Wm. J. Gardner on March 1st resigned the management of the Aetna's Western liability department in favor of Walter A. Chowen and went East in the interest of the company. Harold W. Wheatly is now assistant manager in the San Francisco office.

United States Manager C. H. Franklin of the Frankfort Marine Accident and Plate Glass is making his first visit to the Coast. In company with Mr. Duncan of the firm of Voss, Conrad & Co., general agents, he is making a call on the principal Coast agencies of his company, including Los Angeles, Portland and Seattle.

Examiner S. H. Wolfe of New York has been hired by the Pacific Mutual and Conservative Life Insurance Company to show the insurance commissioners of Washington, Oregon and California how to discover its true financial standing. The examination is undertaken at the invitation of President Tupper and will be thorough and convincing.

Robert S. Brannen of Denver died on March 8th from a stroke of apoplexy. Mr. Brannen was a conspicuous figure in insurance. It was through his personal efforts that the National Association of Local Fire Insurance Agents was organized and at the time of his demise he was actively engaged in forming a similar organization among casualty men.

General Agent Geo. H. Tyson announces the appointment of Mr. C. R. Harold as special agent for the Sound District, succeeding Mr. Tom R. Roberts from and after March 1st. He also announces the appointment of Mr. E. H. Brooks, formerly a surveyor with the Board of Fire Underwriters in San Francisco, as special agent for Central California district.

The latest development in the Continental Life Insurance and Investment Company is the resignation of Hyram Tyree as president and general manager, and the election of Thomas R. Cutler, vice-president of the Utah Sugar Company to fill the vacancy. A new executive committee will be appointed and headquarters of the company re-established at Salt Lake.

The statement issued to stockholders by the Washington Fire Insurance Company, Seattle, Washington, shows resources of $288,120, of which $200,000 is stockholders' notes, $35,172 in first mortgages, $24,492 in cash in banks and the balance in premiums in course of collection, etc. The statement shows the company has $1,619,435 at risk and received premiums in a little over ten months last year of $45,428. The expense ratio was kept down to 38.87. Mr. Henry Carstons is president of the company, John W. Black secretary.

That Mr. Herman T. Hoelscher, who was a member of the well-known firm of Wm. Hoelscher & Co., wine merchants, of this city, had his accident insurance in the right company, is borne out by the fact that the Standard Life and Accident Insurance Company of Detroit, Mich., have just recently delivered to his beneficiary a draft for $5,000 in payment of claim for his death. Mr. Hoelscher's policy was only for $2,500, but owing to the clause in the policy providing that double benefits would be paid in case of accident while traveling on a public conveyance, the claim amounted to $5,000. The assured lost his life while traveling on the steamer "Valencia" from here to Seattle, which

Agency Positions

In two good Western States are open for up-to-date managers and personal writers. For particulars send age, occupation, reference and address to

The FIDELITY MUTUAL LIFE Insurance Company

L. G FOUSE, President PHILADELPHIA

ALEXANDER McKNIGHT, Vice-President

was wrecked off the coast of British Columbia only a short time ago. The Standard deserves credit for their promptness in settling claims.

The fifteenth annual dinner of the California general agency of the Northwestern Mutual Life Insurance Company, Clarence M. Smith, general agent, came off at Delmonico's on Friday, April 6. Like everything at all connected with the Northwestern, the arrangements were first class. Twenty-five agents were present, as follows: J. B. Thomas, S. F. McAnear, J. B. Martin, T. F. Hornung, W. J. Harry, A. H. Bean, R. R. Denny, A. N. Meals, F. W. Jewett, C. S. Tourtelott, E. J. Thomas, H. L. Dewey, B. S. Goodhue, L. R. Nichols, G. D. Abbott, R. H. De Witt, C. S. Cloe, W. A. Cockrill, Wm. Dwyer, Elmer Lamb, Sidney W. Wilcox, Ned V. Moor, C. B. Rine, J. J. Tyndall. Some of the toasts were, "A Quarter Century of Life Underwriting," Clarence M. Smith; "Essentials of Success," S. F. McAnear; "High Ideals," T. F. Hornung; "Closing the Case," R. R. Denny; "Why We Represent the Northwestern," A. N. Meals; "How Minutes Count," J. B. Thomas.

DUNCAN & REHFISCH

318 California Street, San Francisco, Cal.

Phone Main 1238

GENERAL AGENTS FOR

German Fire Insurance Co.
OF PEORIA, ILL.

AND THE

Federal Union Surety Co.

Issue Fire Insurance and Surety Bonds of all Classes

The Columbian National Life Insurance Co.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS

PERCY PARKER	President
FRANKLIN W. GANSE	Vice-Pres. and Director of Agencies
FRANCIS P. SEARS	Treasurer and Vice-Pres.
WILLIAM H. BROWN	Secretary
C. V. FORNES, New York	Vice-Presidents
GEO. H. HOLT, Chicago	Vice-Presidents
JOHN D. DAVIS, St. Louis	Vice-Presidents
R. M. HOTALING, San Francisco	Vice-Presidents

Pacific Coast Department

524-536 James Flood Bldg.....San Francisco, California

WALKER and MacCOLL, Managers

Los Angeles Office, 605-6 H. W. Hellman Bldg.

COMPARATIVE STATEMENT

OF THE

Michigan F. & M. Ins. Co.

OF DETROIT, MICHIGAN

D. M. FERRY, President — M. W. O'Brien, Treasurer
F. H. WHITNEY, Vice-President — E. J. BOOTH, Secretary
E. P. WEBB, Asst. Secretary

ASSETS

	Jan. 1, 1905	Jan. 1, 1906.
Cash on hand and in Bank	$ 64,265 00	$ 38,660 35
City and County Bonds	109,055 74	202,800 00
Mortgages on Real Estate	664,236 27	652,847 92
Real Estate	102,785 99	101,929 45
Interest on Loans due and accrued	11,673 19	10,252 06
Due from Agents and others	74,885 33	79,566 74
	$1,026,901 52	$1,065,804 46

LIABILITIES

Capital Stock	$ 400,000 00	$ 400,000 00
Amount required to Re-insure all outstanding Risks	354,518 03	349,683 50
Losses unadjusted and not due	40,589 50	33,433 94
Net Surplus	231,793 99	282,687 02
	$1,026,901 52	$1,065,804 46

CARL A. HENRY & CO.

GENERAL AGENTS PACIFIC DEPARTMENT

215 SANSOME STREET — SAN FRANCISCO, CAL.

The State Life Insurance Company

INDIANAPOLIS, INDIANA

Eleventh Annual Statement, December 31, 1905

ASSETS

Real estate, unincumbered		$1,102,018 02
First mortgage loans on real estate worth at least twice the amount loaned thereon		1,488,078 00
Collateral loans		5,000 00
Loans to policy holders not exceeding reserve (policies deposited with company)		857,808 26
Renewal premium notes on policies in force, secured by their reserve		52,081 33
United States and municipal bonds		121,607 50
Cash in company's office and National Banks		232,142 15
Agents' debit balances		93,340 86
Interest and rents accrued		23,009 40
Net deferred and unreported premiums, reserve charges in liabilities		252,628 86
Total, company's statement		$4,227,714 38
Non-admitted assets		101,032 08
Total admitted assets		$4,126,682 30

LIABILITIES

Net present cash value (reserve) of all outstanding policies, according to actuaries' table of mortality, with 4 per cent interest on all policies dated prior to Jan. 1, 1901, and American table, with 3 per cent on all others as computed by the Actuary of the Insurance Dept. of the State of Indiana.		$3,435,168 00
Losses due and unpaid	NONE	
Losses in process of adjustment		31,000 00
Losses reported, proofs not received		22,000 00
Premiums and unearthed interest paid in advance		22,559 66
Current accounts not due		7,055 24
Unpaid dividends to policyholders		2,582 71
Total liabilities		$3,521,731 49
Admitted surplus		605,316 69
Total		$4,126,682 30

ANDREW M. SWEENEY President
SAMUEL QUINN Vice-President
CHAS. F. COFFIN Second Vice-President
WILBUR S. WYNN Secretary

THE

HARTFORD

Fire Insurance Company

ORGANIZED 1794

Assets $15,632,483.34

Surplus to Policyholders . . . 4,026,248.67

PALACHE & HEWITT, General Agents

Pacific Department 313 California Street : : : San Francisco

A. GILLILAND, Manager City Department

SPECIAL AGENTS AND ADJUSTERS

P. H. GRIFFITH J. J. DENNIS JOHN M. HOLMES W. O. MORGAN

W. W. GROVE C. E. MILLER GEO. E. DEVINE

"The Leading Fire Insurance Company of America"

Cash Capital

$4,000,000.00



Cash Assets

JANUARY 1, 1905

$16,815,296.87

INCORPORATED 1819

NET SURPLUS$ 7,036,010.93

Surplus as to Policyholders 11,036,010.93

Losses Paid Since Organization (87 Years) . . . $102,847,801.66

BOARDMAN & SPENCER, Gen'l Agts.

E. C. Morrison, Supervisor of Agencies.

Louis Mel
W. L. Gezzam } Special Agents and Adjusters.
J. A. Murphy

Office, 514 California St., San Francisco

J. L. M. SHETTERLEY, President
A. E. NASH, Treasurer

A. L. REED, Secretary
D. T. McNAUGHTAN, Supt. of Agents

THE

FIDELITY

Mutual Aid Association

SAN FRANCISCO

Life Policy, $5.00; payable but once. Dues, $1.50 per Month

PAYS

Class	Accident	Sickness	Death
D	$40 per Month	$40 per Month	$100.00
E	$30 per Month	$40 per Month	$100.00

PERMANENT TOTAL DISABILITY

$1000

Has been approved and licensed by the Insurance Departments of the following named States:

State of MISSOURI
State of MICHIGAN
State of INDIANA
State of MINNESOTA
State of COLORADO
State of NEVADA
State of PENNSYLVANIA
Territory of ARIZONA
State of NORTH DAKOTA
State of SOUTH DAKOTA
State of CALIFORNIA
State of WASHINGTON
State of WISCONSIN
State of UTAH
District of COLUMBIA

Home Office: 303 California Street, San Francisco, Cal.

Mutual Reserve Life Insurance Company

OF NEW YORK

FREDERICK A. BURNHAM
President

GEORGE D. ELDRIDGE
Vice-Pres. and Actuary

Mutual Reserve Bldg., 305-307-309 Broadway
NEW YORK

New Paid-for Business Written in 1905,	$14,426,325.00
Increase in Surplus, 1905, - -	33,204.29
Interest and Rents (after providing for all Investment Expenses and Taxes) 4.15 per Cent. on Average Ledger Assets.	
Decrease in Expenses over 1904, -	84,300.00
Payments to Policyholders and Beneficiaries, 1905, - - -	3,388,707.00
Total Payments to Policyholders and Beneficiaries since organization, -	64,400,000.00

THE EXHIBIT OF FIRST YEAR'S EXPENSES SUBMITTED BY THE COMPANY TO THE LEGISLATIVE INVESTIGATING COMMITTEE SHOWS THE LOWEST RATIO OF EXPENSE TO EXPENSE MARGIN OF ALL COMPANIES DOING A GENERAL BUSINESS.

Capable Men, with or without experience, can secure the very best Agency Contracts—Address Agency Department. Industrial Agents, Address Provident Department, Mutual Reserve Building, 305, 307, 309 Broadway, New York.

Royal Exchange Assurance

OF LONDON, ENGLAND

Incorporated A. D. 1720

Fire and Accident Insurance

Cash Capital	$ 3,446,099.45
Surplus to Policyholders .	8,906,090.33
Total Assets	25,211,566.50

LOSSES PAID EXCEED $210,000,000

Austrian Phœnix

INSURANCE COMPANY

OF VIENNA

Cash Capital	$1,200,000.00
Surplus to Policyholders .	1,520,357.76
Total Assets	2,128,821.63

The Concordia Fire

Insurance Company

OF MILWAUKEE

Organized in 1870

Assets . . $1,007,939 Surplus . . $340,504

PACIFIC DEPARTMENT

501 Montgomery Street *San Francisco, Cal.*

DICKSON & THIEME, Managers

Armenia

INSURANCE COMPANY

OF PITTSBURGH
PENNSYLVANIA

Southern

INSURANCE COMPANY

OF NEW ORLEANS
LOUISIANA

ROBERT DICKSON
PRESIDENT

EXECUTIVE OFFICE:

80 Williams Street ∴∴ New York

What is the use...

OF SAYING

"the best company," or
"the strongest company," or
"the largest company?"

THEY ALL SAY THESE THINGS.
WE SAY SIMPLY

The Penn Mutual Life Insurance Company

OF PHILADELPHIA
Organized 1847

THAT TELLS THE WHOLE STORY!

E. H. HART, General Agent
Claus Spreckels (Call) Building
SAN FRANCISCO, CAL.

Pacific Coast Casualty Company

OF CALIFORNIA

HEAD OFFICE
Merchants Exchange Bldg., San Francisco, Cal.

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Burglary, Plate Glass Insurance

Paid up Capital - $200,000
Assets - - - - - 479,856

E. F. GREEN.....President
JOHN C. COLEMAN..... Vice-President
F. A. ZANE.....Secretary
ANT. BOREL & CO.....Treasurer

DIRECTORS

Antoine Borel, F. P. Deering, George A. Pope, Henry E. Bothin, E. F. Green, Henry Rosenfeld, Edward L. Brayton, I. W. Hellman, Jr., Adolph A. Son, John C. Coleman, William S. Tevis.

MARSHAL A. FRANK COMPANY, Gen. Agents for California

214-216 Kohl Building
San Francisco California

Casualty Company of America

Capital (cash), $500,000.00 Assets, $1,597,019.04

WRITING LIABILITY, ELEVATOR, WORKMEN'S COLLECTIVE, PLATE GLASS, STEAM BOILER DISABILITY AND ACCIDENT INSURANCE

Agents Wanted—Apply to

WILLARD O. WAYMAN & CO.

GENERAL AGENTS

Sansome and Sacramento Sts. San Francisco, Cal.

OLDEST PURELY FIRE INSURANCE OFFICE IN THE WORLD

FOUNDED  IN 1710

..Sun Insurance Office..

OF LONDON

Cash Assets, : $11,500,000 | Net Surplus, : $6,640,000

ESTABLISHED 1881

Michigan Fire and Marine

INSURANCE COMPANY

OF DETROIT, MICH.

Cash Capital, - - - - $400,000.00

PACIFIC DEPARTMENT Embraces: California, Nevada, Utah, Arizona, Oregon, Washington, Idaho, Montana, Hawaiian Islands and Alaska.

CARL A. HENRY & CO.

GENERAL AGENTS PACIFIC DEPARTMENT

215 Sansome Street San Francisco, Cal.

TOTAL ASSETS REPRESENTED
over $25,000,000.00

TOTAL LOSSES PAID
over $100,000,000.00



German-American Ins. Co.

OF NEW YORK.

ASSETS - - - $14,052,520.59
NET SURPLUS - - - $6,442,674.78

Phœnix Insurance Co.

OF HARTFORD, CONN.



ASSETS - - - $8,140,630.43
NET SURPLUS - - - - $2,382,270.52

German Alliance Ins. Co.

OF NEW YORK.

ASSETS - $1,485,286.15 NET SURPLUS - $629,131.54

New Hampshire Fire Ins. Co.

OF NEW HAMPSHIRE, N. H.

ASSETS - $4,069,140.67 NET SURPLUS - $1,252,267.06

GEO. H. TYSON, Gen. Agent 214 Sansome Street, S. F.
HERBERT FOLGER, Asst. Genl. Agent

Metropolitan Life Insurance Company

(Incorporated by the State of New York)

ASSETS, OVER - - $151,000,000.00
SURPLUS, OVER - - 16,000,000.00

Issued during 1905 more new business in the State of California than during 1904, and more than any other Company transacting business in this State. Made a larger gain in force of premium paying business during 1905 than any other Company operating in California.

PACIFIC COAST HEAD OFFICE:
Wells Fargo Building, Cor. Mission and Second Sts., San Francisco.

HOME OFFICE: NEW YORK CITY

OFFICERS:

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GEORGE H. GASTON . . Second Vice-President	GEO. B. WOODWARD . . Third Vice-President
JAMES S. ROBERTS Secretary	FRANK O. AYRES . . . Fourth Vice-President
T. R. RICHARDSON . . . Assistant Secretary	J. J. THOMPSON . Cashier and Asst. Secretary
JAMES M. CRAIG Actuary	JOHN R. HEGEMAN JR . . . Asst. Secretary
FREDERICK H. ECKER Comptroller	STEWART L. WOODFORD Counsel
THOS. H. WILLARD, M. D. . Medical Director	AUGUST S. KNIGHT, M. D. . Medical Director
W. S. MANNERS, M. D. . . Asst. Med. Director	EUGENE M. HOLDEN, M. D. . Asst. Med. Director

FREDERICK F. TAYLOR, Assistant Secretary.

Security Mutual Life Insurance Company

BINGHAMTON, N. Y.

CHARLES M. TURNER, President

Liberal contracts and good territory can be secured by reputable life underwriters by addressing

C. H. JACKSON, Agency Secretary, Home Office
or GEORGE A. RIDER, Agency Director
Pacific Coast Department Bacon Block, Oakland, Cal.

PACIFIC DEPARTMENT

Scottish Union

and

NATIONAL INSURANCE CO.

OF EDINBURGH, SCOTLAND

Assets, in United States, $4,581,956.10 Surplus, $2,381,880.36
Total Assets over $45,662,730.65

T. J. A. TIEDEMANN, GEN. AGT., 206 Pine Street, S. F.

—THE—

NORWICH * UNION * FIRE

INSURANCE SOCIETY

OF NORWICH, ENGLAND.

Assets, - - - - - - - $7,086,930.68

Losses Paid, - - - - over $90,000,000.00

INDEMNITY

FIRE INSURANCE COMPANY

OF NEW YORK

Cash Capital - - - - - - - $200,000.00

W. H. LOWDEN, Manager,

PACIFIC DEPARTMENT,

314 California Street, - - - - - San Francisco, Cal.

Svea Insurance Co. *of Gothenburg*

American Fire Insurance Co. *of Philadelphia.*

Agricultural Insurance Co. *Watertown, N. Y.*

The Delaware Insurance Co. *of Philadelphia.*

Globe & Rutgers *of New York.*

Spring Garden Insurance Co. *of Philadelphia.*

EDWARD BROWN & SONS

General Agents Pacific Coast Department,

411½ California Street

Total Assets Represented, Over Fourteen and a Half Millions

Established 1850

Connecticut...

FIRE INSURANCE COMPANY, of Hartford

Cash Capital - -	$1,000,000.00
Cash Assets - : -	5,340,136.94
Surplus to Policyholders	2,414,921.16

COLIN M. BOYD,
Agent for San Francisco.

BENJAMIN J. SMITH,
Manager Pacific Department

216 Sansome Street, San Francisco

1860 46th Year 1906

HOME LIFE INSURANCE COMPANY

OF NEW YORK

GEORGE E. IDE, President

ASSETS, $17,886,594.88 LIABILITIES, $16,457,194.41
(Including Dividend-Endowment Fund)

Dividend-Endowment Fund, (Deferred Dividends) .	$1,453,907.00
Contingent Fund,	225,000.00
Net Surplus,	1,204,400 47
Insurance in Force,	79,775,340.00

The Home Life supplied one of the marvels of the present investigation—an insurance company without any obvious scandals. N. Y. Tribune, 12-12-05.
Mr. Hughes' inquisition was not less searching than before, but the officers of the Home Life Insurance Company apparently survived it unscathed. N. Y. Herald, 12-12-05.

Detailed Statement furnished upon request.

FRANK SPERLING
GENERAL MANAGER
FOR
CALIFORNIA and NEVADA
—
307-8-9 Parrott Bldg.
San Francisco, Cal.

Union Assurance Society

OF LONDON

Capital.....$ 2,250,000.00
Assets.....$14,641,236.00

Law Union & Crown Fire Ins. Co.

OF LONDON

Capital.....$ 7,500,000.00
Assets.....$20,126,035.00

VICTORIA FIRE INSURANCE COMPANY

OF NEW YORK

Catton, Bell & Co., General Agents, 406-410 California St. San Francisco

PACIFIC SURETY COMPANY OF CALIFORNIA

PAID-UP CAPITAL $250,000 CASH ASSETS $412,000

GUARANTEE AND CASUALTY. SURETY ON BONDS.

Bonds of Suretyship issued on behalf of persons holding positions of trust, we also act as surety on Bonds required in Court proceedings.

PLATE GLASS INSURANCE

DIRECTORS { Geo. C. Perkins, James Moffit, P. E. Bowles, F. P. Deering
H. L. Davis, John W. Phillips, W. H. Crocker, J. A. Rey.

WALLACE EVERSON, Pres. JOHN BERMINGHAM, Vice-Pres. A. P. REDDING, Secy.

Head Office 326 Montgomery Street, San Francisco. Correspondence solicited with responsible agents

THE PENNSYLVANIA

FIRE INSURANCE COMPANY of Philadelphia.



Incorporated 1825.

ASSETS,
January 1st, 1905
$6,428,988.51

NET SURPLUS,
January 1st, 1905
$2,585,263.42

One of the OLDEST and STRONGEST Fire Insurance Offices in the United States

OFFICE PACIFIC COAST DEPARTMENT:

508-510 CALIFORNIA STREET, SAN FRANCISCO.

RUSSELL W. OSBORN, MANAGER.

HOMER A. CRAIG, GENERAL ADJUSTER. CHESTER DEERING, Assistant Manager

SPECIAL AGENTS—S. P. Mesick, V. H. Quitzow, Frank Agnew.

Provident Savings

Life Assurance Society

OF NEW YORK

TIMOTHY L. WOODRUFF, President

The Best Company for Policy Holders and Agents.

Successful Agents and Gentlemen seeking remunerative business connections may apply to the Head Office, or any of the Society's General Agents

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General Manager for California
CLAUS SPRECKELS BUILDING,
3RD AND MARKET STREETS
SAN FRANCISCO, CAL.

Hamburg-Bremen

FIRE INSURANCE COMPANY

Of Hamburg, Germany Organized 1854

Capital and Accumulations	**$3,726.181**
Assets in the U. S. Jan. 1, 1905	2,008,938 61
Surplus " " " "	403,552.43
Losses Paid in the U. S. over	17,000,000.00

RUDOLPH HEROLD, Jr.
Gen'l Agent Pacific Department
415 California St.
San Francisco

The Fidelity and Casualty Company

OF NEW YORK

Assets,	$7,687,067.93
Capital and Surplus,	2,986,463.85
Losses Paid to January 1, 1906,	21,742,060.27

This Company Grants Insurance as Follows:

Bonds of Suretyship for persons in positions of trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly-Wheel, Employers, Public, Teams, Workmens' Collective, Elevator, and General Liability; Personal Accident, Health and Bonded Attorneys' List.

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HENRY CROSSLEY, Asst. Secy.

FRANK E. LAW, Second Assistant Secty.

GEORGE W. ALLEN, Third Assistant Secty.

CHAS. J. BOSWORTH, Genl. Agt. Pac. Coast Dept. — **Merchants' Exchange Building**

London Guarantee and Accident Co., Ltd.

OF LONDON, ENGLAND

Surplus to Policy-Holders Over $1,000,000.00

Writes Employers, Teams, Elevator and Public Liability Insurance.

Also,

Workmen's Wholesale Accident, and Individual Accident

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Office, 416 California Street

SAN FRANCISCO

EMPLOYERS' LIABILITY Assurance Corporation, Ltd.

OF LONDON, ENGLAND

HEAD OFFICE FOR U. S.

Employers Liability Building, 33 Broad St., Boston, Mass.

SAMUEL APPLETON

United States Manager

ACCIDENT POLICIES

Of All Kinds at Very Low Rates

Employers' Liability Policies, Indemnifying Employers against claims for Accidents to Employees. Individual Fidelity Bonds and Accident Policies.

CHAS. J. OKELL & CO., Genl. Agts.

401 California St., San Francisco

National Life Insurance Company

MONTPELIER, VERMONT

Established in 1850 — **Operating in 44 States**

JOSEPH A. DE BOER, Pres. — H. M. CUTLER, Treas.
JAS. T. PHELPS, Vice-Pres. — A. B. BISBEE, Med. Dir.
JAS. B ESTEE, 2d Vice-Pres. — C. E. MOULTON, Actuary
OSMAN D. CLARK, Sec'y — F. A. HOWLAND, Counsel

This Company held January 1, 1906, and gained during the past decade:

ASSETS,	$34,519,093.04	Gain, 184%
SURPLUS,	3,821,752.51	Gain, 165%
INSURANCE,	145,480,904.00	Gain, 109%

Sells the Best and Most Modern in Life, Term, Endowment and Annuity Insurance.

G. M. STOLP & SON, General Managers
81-85 Crocker Building, San Francisco, Cal.

A. D. WALKER, General Manager
620-621 Bailey Building, Seattle, Washington

AUSTIN Fire Insurance Co.

OF AUSTIN, TEXAS

Gross Assets over $600,000
Surplus to Policy-holders - - - $500,000

PACIFIC COAST DEPARTMENT
ROOMS 332-35-37 THIRD FLOOR
MERCHANTS EXCHANGE
SAN FRANCISCO, CAL.

C. G. YATES
GENERAL AGENT

The Metropolitan Plate Glass and Casualty Insurance Company of New York

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874. THE OLDEST NEW YORK COMPANY IN ITS LINE

ASSETS, JANUARY 1, 1905 - - - $652,231.59
SURPLUS TO POLICY HOLDERS - - 402,810.23

PLATE GLASS, HEALTH
PERSONAL ACCIDENT **POLICIES** OF THE MOST APPROVED FORM

EUGENE H. WINSLOW, President
DANIEL D. WHITNEY, Vice-President
S. WM BURTON, Secretary
ALONZO G. BROOKS, Asst. Secretary

MANN & WILSON
Gen'l Agents for Pacific Coast, San Francisco, Ca

Reliable and Energetic Agents Wanted



ATLAS ASSURANCE COMPANY
(LIMITED)
of London, England

Manchester Assurance Co.

Pacific Coast Branch, Atlas Building
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FRANK J. DEVLIN, Manager
T. H. PALACHE, Assistant Manager

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Wm. Manning E. R. Thompson C. B. Dinsmore H. R. Jackson

Agents Wanted in California, Oregon, Washington

The Queen City Fire Insurance Company

OF SIOUX FALLS, SOUTH DAKOTA

Cash Capital, $300,000.00

Pacific Department, Rooms 330-331 Merchants Exchange Building
San Francisco

LEE S. FRUDENFELT, Sec'y-Manager

Men of Character are attracted to the Agency Force of the Northwestern

Because the Northwestern accepts business only from regular agents of the Company.

Because Northwestern policies command 100 cents on the dollar. Rebating has been prohibited for 10 years.

Northwestern commissions are for Northwestern agents.

BEST RESULTS TO POLICY-HOLDERS.

MOST ATTRACTIVE POLICIES.

ISSUES PARTNERSHIP AND CORPORATION INSURANCE.

For further information or an Agency, address:

H. F. NORRIS,
Superintendent of Agencies.

The
Northwestern
Mutual Life Insurance
Co. of Milwaukee

H. L. PALMER, Pres. J. W. SKINNER, Sec'y

Organized 1857

GROWTH OF COMPANY

Year	Insurance in Force
1865 . .	$ 11,217,155
1885 . .	98,793,982
1905 . .	708,552,287

Business of 1904 largest in history of Company

Purely Mutual and transacts business only in the United States

WE WANT FOR THE

Inter-Mountain and Pacific States

Fifteen first-class field men and managers. Will pay salaries from $100 to $250 per month, and commission in addition thereto. No one need apply without giving satisfactory references.

The Best Selling Proposition In The Market

Address HIRAM TYREE, President,
CONTINENTAL LIFE INSURANCE & INVESTMENT CO.,
SALT LAKE CITY, UTAH.

The Palatine
INSURANCE COMPANY Ltd.



FOR FIRE INSURANCE

All losses on the Pacific Coast promptly paid through the Branch Office at Alliance Building, 416-418 California Street, San Francisco, Cal.

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E. F. NIEBLING, Assistant Mgr.

Walter N. Brunt Company

609 102
Corner MISSION & SECOND Streets

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Badges and Regalias, Second Street

Insurance and Commercial Printing and Publishing

Appropriate Souvenir Printing for Special Occasions

SIXTEEN PRESSES AND THREE LINOTYPES

ATTRACTIVE TERRITORY
LIBERAL CONTRACTS

The Manhattan Life Insurance Company has appointed Col. A. A. Green, Jr., Western Superintendent, in charge of the agency work and the development of the states west of the Mississippi, together with Illinois and Wisconsin.

Attractive and Liberal Contracts will be made with live, energetic men who can write a good line of first-class business.

Address A. A. GREEN, Jr.,
WESTERN SUPT. OF AGENTS,
DALLAS, TEXAS.

THE AACHEN AND MUNICH
FIRE INSURANCE COMPANY
Of Aix-la-Chapelle, Germany. Organized 1825

Capital	$2,250,000
Assets, over	6,000,000
Surplus to Policyholders	4,000,000

HANOVER
FIRE INSURANCE COMPANY
Of New York. Organized 1852

Capital	$1,000,000
Assets	3,000,000
Surplus to Policyholders	1,400,000

CESAR BERTHEAU, Manager
A. R. GRIM, Assistant Manager
PACIFIC COAST DEPARTMENT
423 California Street, S. F.

C. H. BUNKER, President
A. A. SMITH, Secretary

FRANKLIN H. HEAD, Vice-President
H. G. B. ALEXANDER, 2d V.-P. and Gen'l Mgr.

Continental Casualty Co.

CHICAGO

CAPITAL STOCK - - - $300,000

GOOD CONTRACTS in GOOD TERRITORY to GOOD MEN

WRITES ALL FORMS OF

Personal Accident and Health Insurance

MORE THAN FOUR MILLION DOLLARS

PAID TO POLICYHOLDERS

W. H. BETTS, Resident Manager

MUTUAL SAVINGS BANK BLDG. SAN FRANCISCO, CAL.

The FRANKLIN FIRE

INSURANCE COMPANY
Of Philadelphia
Organized 1829

$3,087,001.53 Assets **$1,078,240.32 Surplus**

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A. H. TRATHEN, Assistant Manager
W. W. CLEVELAND, Special Agent
218 Sansome Street SAN FRANCISCO

D. M. FERRY, Pres. E. A. LEONARD, Sec.
Incorporated 1884
Cash Capital $250,000.00

THE STANDARD
LIFE AND Accident Insurance
DETROIT Company MICHIGAN

All forms of Accident, Sickness, Industrial and Liability Insurance

CLARENCE F. BRIGGS
Supt. Pacific Coast Department
MILLS BUILDING San Francisco, Cal.

J. F. RILEY

INSURANCE ATTORNEY

602 California Street

SAN FRANCISCO, CALIFORNIA

THE HOME INSURANCE COMPANY

NEW YORK

Principal Office, 56 Cedar Street, New York

FIRE, LIGHTNING AND WINDSTORM INSURANCE

Cash Capital	$3.000,000.00
Reserve Premium Fund	7,598,001.00
Reserve for Unpaid Losses and Other Claims	1,920,550.54
Net Surplus	8,720,501.34
Total Assets	**$21,239,052.88**
Surplus as regards Policyholders,	**$11,720,501.34**

ELBRIDGE G. SNOW, President

EMANUEL H. A. CORREA, Vice-Pres. — ARTEMUS M. BURTIS, Secretary
FREDERIC C. BUSWELL, Vice-Pres. — CHARLES L. TYNER, Secretary
CLARENCE A. LUDLUM, Asst. Secretary — HENRY J. FERRIS, Asst. Secretary

ORGANIZED IN 1853

Losses Paid Since Organization, over - $99,000,000.00

THE HOME has a well organized, competent and experienced force of GENERAL and SPECIAL AGENTS resident in the Pacific Coast States, ensuring prompt response to the needs and requirements of its Agents and the insuring public, and IMMEDIATE ATTENTION TO THE ADJUSTMENT AND PAYMENT OF LOSSES.

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J. J. SHEAHAN, Special Agent, 210 Sansome St., San Francisco, Cal.
J. D. COLEMAN, General Agent, Department Pacific Northwest, Portland, Ore.
H. E. SMITH, Special Agent / M. H. MERRILL, Special Agent } 250 Stark St., Portland, Ore.
CHARLES QUITZOW, Special Agent, Southern California and Arizona, Los Angeles, Cal.
JUNIUS YOUNG, Special Agent, Idaho (S. E.), Utah, Montana and Wyoming, Salt Lake City, Utah.
GEO. M. MITCHELL, City Agent, 210 Sansome Street, San Francisco, Cal.

THE Preferred - Accident - Ins. Co.

Of New York.

KIMBALL C. ATWOOD,
SECRETARY

Assets, Jan. 1st, 1906	- -	$1,319,513.65
Surplus and reserve	(including capital) for the protection of policyholders	$1,130,981.80
Claims paid,	- - - over	$6,000,000.00

More Insurance in force in California
than any other Accident Company.

The Unlimited Health Policy

$2,500 for loss of Sight of Both Eyes from any disease
$2,500 for Permanent Paralysis of the Entire Body, Both Feet, Both Hands, or Hand and Foot by disease
$25 Weekly Indemnity (limited to twenty-six weeks) for Disability resulting from

ANY DISEASE

SURGEON'S FEES—In case of operation the result of disease, this Policy provides a long list of cash benefits, which are paid in addition to the weekly indemnity,

NO MEDICAL EXAMINATION REQUIRED

PREMIUM Ages 18 to 50 (inclusive) **$35** per annum
Ages 51 to 55 " **$45** per annum

A Policy allowing Half Benefits at Half Price

Health Policies are sold only to those who carry Accident Insurance in this Company

. The Best Policies .

The Best Commissions

ACTIVE AGENTS WANTED

THOS. CODWIN,
Manager Pacific Coast Department

G. C. FARRELL,
Assistant Manager

FREDERIC A. STEARNS, General Agent

GENERAL OFFICES, Mills Building, SAN FRANCISCO

THE London

Assurance Corporation

OF LONDON

Founded 1720

Cash Assets - - $21,000,000.00

WM. J. LANDERS, Manager

F. W. TALLANT, Branch Sec'y

Pacific Coast Branch

205-7 SANSOME ST. San Francisco

NIAGARA

FIRE INSURANCE COMPANY

OF NEW YORK

Cash Assets.....$3,700,000.00

WM. J. LANDERS, Manager

F. W. TALLANT, Department Sec'y

Pacific Coast Department

205-7 SANSOME ST. San Francisco

British America Assurance Co.

OF TORONTO

INCORPORATED 1833

Assets in United States - $1,542,949 10

Western Assurance Company

OF TORONTO

INCORPORATED 1851

Assets in United States - $2,397,608 00

The only fire insurance companies that have a special California deposit of $100,000 each, for the exclusive protection of California policyholders.

W. L. W. MILLER, General Agent,
319 California Street, San Francisco.

C. J. STOVEL, Marine Agent for Coast for British America
San Francisco.

H. T. LAMEY, Manager Western Department, Denver, Col.

1792 1906

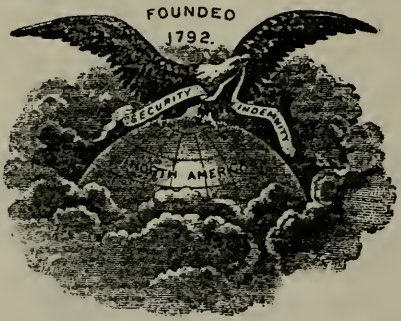
INSURANCE COMPANY OF NORTH AMERICA

CASH CAPITAL

$3,000,000.00

POLICY HOLDER'S SURPLUS

$6,626,730.57



ASSETS, JAN. 1, 1904

$13,024,882.85

NET SURPLUS

$3,626,730.57

OF PHILADELPHIA, PENNA.

Oldest Fire Insurance Company in the United States

LOSSES PAID SINCE ORGANIZATION, $123,838,099.36

A. E. BAILEY, Superintendent of Agencies
J. K. HAMILTON, CHAS. O. SCOTT, Special Agents

JAMES D. BAILEY, Gen'l Agent 202 Pine Street.

Exceptional Inducements

are

Offered Intelligent and Reliable Men

to enter the service of

THE MUTUAL LIFE

INSURANCE COMPANY OF NEW YORK

It is the largest and best Company in the world and the most satisfactory Company to represent

Applications may be sent to

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Superintendent of Domestic Agents

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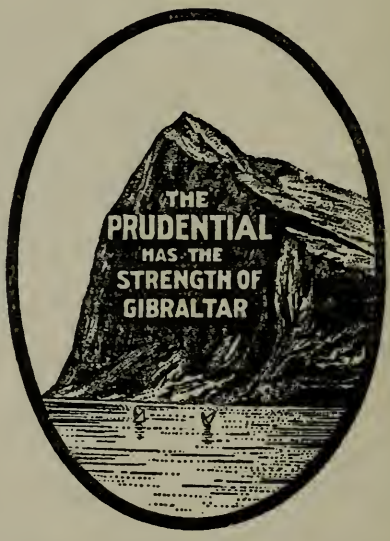
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There are opportunities to represent a big, sound, up-to-date Life Insurance Company in a profitable manner.

Prudential representatives make money. They have most varied forms of policies and advantageous contracts with liberal commissions.

The attention of young men, particularly young men starting in business is especially sought.

Write for full information regarding these unusual opportunities.



The Prudential

INSURANCE COMPANY OF AMERICA

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J.

JOHN F. DRYDEN
President

CONSERVATIVE
PROGRESSIVE
FAITHFUL

SOME of the cardinal aims of the *Union Mutual* management are—to be conservative in the choice of investments—to be progressive in the prosecution of the business—to be faithful to the interests of policyholders.

Agents of like inclination cordially welcomed

Union Mutual Life Insurance Company

Portland, Maine

FRED E. RICHARDS, *President* ARTHUR L. BATES, *Vice-President*

Exclusive territory may be had on application to

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713 Market Street (Spreckels Annex), San Francisco, Cal.

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OF THE U. S. OF A.

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NATIONAL LIFE BLDG.
CHICAGO, ILL.

ALBERT M. JOHNSON, President — ROBERT D. LAY, Secretary
ROBERT E. SACKETT, Vice-President — CHARLES B. SHEDD, Treasurer

ADMITTED ASSETS	$ 6,092,500.46
INS. IN FORCE	43,336,600.78
FULL PAID CAPITAL	1,000,000.00

Policy contracts liberal and up-to-date.
Exceptional inducements offered to wide-awake agents.

W. H. HENDRICKS, Mgr.

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SAN FRANCISCO, CAL.

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OF BROOKLYN, N. Y.

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A. C. OLDS State Agent for Pacific Coast
Hayward Building, San Francisco

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Z. M. BOYER, Portland, Ore.
J. H. CLINKSCALES, Los Angeles
F. W. FOULKES, } Hayward Building,
C. A. COLVIN, } San Francisco

ASSETS, - $1,834,676.17 | SURPLUS, $815,418.77
ORGANIZED IN THE YEAR 1864
HOME
FIRE AND MARINE
INSURANCE CO.
OF CALIFORNIA.
HOME OFFICE: 409 CALIFORNIA ST. SAN FRANCISCO CAL.

The German Insurance Company of Freeport.

ORGANIZED, 1865

Assets, - -	$ 5,546,127
Net Surplus, - -	1,727,980
Re-Ins. Reserve,	3,405,087
Losses Paid, over	19,943,504

C. H. WARD, Manager Pacific Department
337 PINE STREET, SAN FRANCISCO, CAL.
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FIRE AND MARINE

C. J. STOVEL, Manager

Fire Department

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Of BOSTON

Dutchess Insurance Company
Of POUGHKEEPSIE

Girard Fire & Marine Ins. Co.
Of PHILADELPHIA

New York Fire Insurance Co.
Of NEW YORK

North River Insurance Company
Of NEW YORK

Nassau Fire Insurance Co.
Of BROOKLYN

New Brunswick Fire Ins. Co.
Of NEW JERSEY

Buffalo German Insurance Co.
Of BUFFALO

Marine Department

British America Assurance Company
Of TORONTO

PACIFIC COAST DEPARTMENT HEAD OFFICE:
110 and 112 BATTERY STREET
San Francisco, Cal.

BRANCHES:
Oakland, Cal., Bacon Building
Seattle, Wash., Coleman Building
Los Angeles, Cal., 341 South Hill Street

THE California Insurance Company
OF SAN FRANCISCO

Incorporated 1861

M. A. NEWELL, President
A. D. CUTLER, Vice-President
GEO. W. BROOKS, Secretary
E. W. McCARTHY, Treasurer

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D. GHIRARDELLI	A. D. CUTLER
WALTER E. DEAN	HENRY E. BOTHIN
CHARLES HOLBROOK	E. A. McCARTHY
M. H. HECHT	GEO. L. PAYNE

E. A. DENICKE

Home Office 230 California Street SAN FRANCISCO CALIFORNIA

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R. M. DOOLEY, JR.....Portland, Oregon
W. A. FRASER.....Seattle, Washington
B. O. SELBACH.....Denver, Colo.

THE FRANKFORT
Marine, Accident AND Plate Glass
INSURANCE COMPANY

OF FRANKFORT ON THE MAIN, GERMANY

ESTABLISHED 1865
CAPITAL $1,250,000.00

Issues Policies Covering EMPLOYERS' AND PUBLIC LIABILITY, INDIVIDUAL ACCIDENT and PLATE GLASS

VOSS, CONRAD & CO., Incorporated, General Agents.

PACIFIC DEPARTMENT

318 California Street - - - - San Francisco

Vol. 32 No. 6

THE ADJUSTER

An Insurance Journal

SAN FRANCISCO, CALIFORNIA, JUNE, 1906

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LIVERPOOL & LONDON & GLOBE INSURANCE COMPANY

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CHICAGO OFFICE, 124 LA SALLE STREET.

ESTABLISHED 1836. ENTERED U. S. 184

The statement of the condition of the United States Branch on the 31st of December, 1905, in accordance with the laws of the State of New York, is as follows:

Assets	$12,234,948
Liabilities	6,972,668
Surplus	$5,262,280

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	$3,054,361	$3,163,901	$5,122,653	$1,958,752
1872	3,640,450	3,733,101	4,448,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of $2,710,650
And INCREASE OF ASSETS in the same time of..... 1,110,939

PROGRESS OF THE UNITED STATES BRANCH.—Net Fire Premiums: 1848, $4,519; 1858. $471,988; 1868, $1,739,620; 1878, $2,422,126; 1888, $3,928,010; 1898, $4,979,422; 1905, $6,803,157.

LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 58 years is $100,611,095. This large sum, in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

Fire Association of Philadelphia

Capital, - $500,000

Assets, - - $7,003,261

E. C. IRVIN, President GUTTE & FRANK, General Agents

San Francisco Office, 2109 Pacific Ave.

Security Life and Annuity Company of America

Executive Offices, Chicago, Illinois

To Successful Salesmen.

Our agents are making more money per capita than the agents of any other company, for the simple reason that they are writing more business per capita than the agents of any other company. The reason for this is that we have one of the most salable propositions in America. Shall be glad to furnish information to any man of good character who desires to ally himself with a progressive old-line capital stock company, with excellent chances for promotion.

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ROYAL Insurance Company

Cash Assets, $60,883,963.71

QUEEN Insurance Company

Cash Assets, $5,627,333.03

Losses Adjusted and Paid Through San Francisco Branch Office

ROLLA V. WATT

Manager Pacific Coast Department

Royal Insurance Building

Corner Pine and Sansome Streets, San Francisco

Temporary Headquarters, Northeast Corner Clay and Fifteenth Sts., Oakland

Assistant Manager

JNO. T. FOGARTY

Special Agents

Frank M. Gilcrest, H. R. Burke, Wm. Maris, J. K. Urmston, J. B. Walden, Jr. J. W. Rooklidge, Chas. A. Wendler, F. H. Farr

N. B.—The ROYAL enjoys the largest fire premium income of any company in the worl

FIREMANS FUND

Insurance Company

FIRE MARINE

TEMPORARY OFFICE:

I. O. O. F. Building, Eleventh and Franklin Streets, Oakland

Capital.....$1,000,000.00
Surplus 2,718,144.50
Assets 7,232,552.19

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Bernard Faymonville Vice-President
J. B. Levison 2d Vice-Pres. and Marine Sec'y
Louis Weinmann Secretary
Geo. H. Mendell, Jr.....Asst. Secretary
F. W. Lougee.....Treasurer

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Marshall & McElhone, Managers
153-155 La Salle St., Chicago, Ill.

Eastern Department

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Mason Building, Boston, Mass.

Southeastern Department

Edgar S. Wilson, Manager, Macon, Georgia

Atlantic Marine Department

Franz Herrmann, Manager, 79-85 Wall St., New York

The Adjuster

Vol. 32 MAY-JUNE, 1906 Nos. 5-6

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J. A. Carey - - Editor

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San Francisco.

The time is rapidly approaching when the Executive Committee of the Board—still in the ring—will have to turn its attention to the future government of San Francisco business. We do not hesitate to say that unless this is done there will be companies hitherto loyal that will withdraw that loyalty.

The regulations existing up to the time of the recent disaster were, plainly speaking, to many companies an actual and effective barrier against the procural of a reasonable share of San Francisco business and therein presented a striking contrast to the opportunities granted to those already richly endowed. That this may now be proved to have been a blessing in disguise to the former class has nothing to do with the case.

San Francisco city business will, unless we are much mistaken, be even more eagerly sought after in the future than in the past. Every unfavorable feature is likely to be improved, and it goes without saying that every favorable condition will become still more so.

Furthermore, the sudden paralysis in the influx of the most profitable portion of the coast income will inevitably increase the loss ratio apart from the conflagration percentage. This increase must be offset by the creation of a new San Francisco portfolio at the earliest possible date.

All these features will combine to recreate those competitive anomalies which formerly prevailed; and now is the time to introduce a more economical and natural system of control.

The remedy is clear, and very simple.

Abolish every artificial distinction between premium getters.

Require that no San Francisco risk shall carry more than one single ratio of commission cost and that ratio a moderate one.

Abolish city agencies, solicitors et hoc genus omne.

Let all be equally brokers, free to place their business where they choose.

Abolish all re-insurance transactions between companies on San Francisco city and country business.

In season and out of season we propose to urge this matter. It is of the utmost importance to our general welfare in the future, and the longer re-organization is delayed, the worse for that welfare.

In the general turmoil arising out of the complications of the loss settlements, time should be found without delay to propose, discuss, and put through this amendment to a constitution which is as much in force to-day as it was on the eighteenth day of April of unhappy memory.

* * *

The Point of View.

What a difference the point of view makes in contemplating the situation of the policy holders and companies at this time!

Behold London, Hamburg, and Berne New York, Chicago, Hartford and Philadelphia struggling for dear life, insisting on the necessity of a strict observance of the legal obligations of the policy, yet seeking to combine that strict observance with the natural and praise-

worthy generosity which compatriotism and local interests insinuatingly suggest.

Behold attorneys representing capital, interested in the full recovery of insurance monies, yet at the same time bound by legal interpretations in the opposite direction.

Behold an insurance commissioner doing his best to benefit the interests of the community while ready to acknowledge that the extent of a disaster cannot honestly affect the conditions of a contract.

Behold the newspapers creating bogies, though perfectly sincere in that creation; but ignoring the obligations of a trusteeship as between directors and stockholders which they were fiercely and correctly insisting on a few days ago in connection with the life insurance companies.

Behold the suffering public, realizing very largely that it needs all the money it can get, but also realizing it cannot, to its own future advantage, throw the companies into bankruptcy or compel them to withdraw from business hereafter.

Behold the general agents, themselves torn between their sympathy for their clients, their duty to and instructions from their principals, and their own future standing toward the community they love and toward the companies that must still furnish them with employment or in default thereof their specialty becomes of little value.

Behold the army of clerks and employes, fearful lest the very money they themselves hope to collect for their personal recoupment may contribute toward the cessation of their own employment.

Behold, finally, the injured stockholders of our own splendidly managed company, that company which is our State pride and a credit to America, every employe and agent of which is doing his level best to strengthen the hands of directors and president in the tremendous work of honorable reconstruction.

And all, why? Because nature, being no respecter of persons or their interests, needed an outlet for her compressed forces and found it where sixty years of human development had created one of the fairest cities and one of the wealthiest communities in the world. Alas, for the bitter disappointment of it all! Alas, for the cruel contradiction!

The Medical Examiner.

There has never been a satisfactory solution of the question, "What is the better plan for adoption by life insurance companies in selecting and appointing medical examiners."

There are many things to be considered in determining this question and life companies have spent much money and time in efforts to compass the ground.

One chief difficulty is that medical directors at the home office are usually inexperienced in field work, having no conception of the methods necessary to procure and build up a business, and many of them are impressed with a feeling that the agent and the examiner should be on as unfriendly terms as possible, lest some joint chicanery might result by which the company might suffer.

We have heard it said, "Let an agent recommend an examiner to his company and it is certain to defeat the appointment, but let him advise against the appointment and the action will probably secure it. There is too much truth in this statement and there is too much narrowness, too much suspicion, too much distrust of the agent by the medical departments of most companies and this condition results in the agent becoming indifferent, and, no doubt, in many cases, influences him to "get even" with somebody for the withholding of proper confidence.

Judging from our own observations, if the selection of medical examiners were left to the general managers in their respective fields, the method would be practical, inexpensive and as reliable as any system that can be adopted.

It takes just as good ability, just as much intelligence, just as much wisdom and integrity of purpose to be a life insurance manager as to be a life insurance officer and when companies will select this standard of manhood for their department managers and then trust them to look after all matters pertaining to the company's interests in their departments, there will be a new era of good faith and good results where there is now so much bad faith and so many disappointing results.

Life insurance managers are just as jealous of their good name, just as ambitious to earn for themselves place and power, just as desirous to make a good record as anyone nearer the home office management and the sooner life com-

panies take this view of the matter, the sooner will they realize what should be realized from the work of their worthy and deserving managers in the field.

* * *

Stayed with the Old Town.

On the morning of April 18th the Pacific Coast Department of the Metropolitan Life, headed by Assistant Secretary Frederick F. Taylor, began a running fight with the conflagration that ended in victory for the doughty leader on April 21st, when the Metropolitan's office was opened for business in the Jefferson Square building, 925 Golden Gate avenue, one-half block from the fire line then burning fiercely and every moment threatening, but at noon the sign was flung out and has been there ever since.

On the first morning Mr. Taylor knew his offices in the Wells Fargo and Callahan buildings to be doomed. The fire line was at Sansome street. He endeavored to locate on Montgomery street, but was driven out by the military.

On the 19th the fire line was at Powell street. Nob hill district was selected for a retreat, but again the military drove him out.

Friday, April 20th, the fire line had reached Leavenworth street and office room was sought on Van Ness avenue district, but the forces were driven back by dynamiting and that night Mr. Taylor wired New York office to forward at once full equipment by express.

The dawn of April 21st discovered the fire still burning fiercely on the east side of Van Ness avenue, but at 10 a. m. an option was secured on the Hobart mansion, northwest corner Van Ness and Washington, and at 11 the same morning a two years' lease was effected of the second floor (18,000 square feet) of the Jefferson Square building, formerly the home of the Jefferson Club.

The next day was Sunday, but the office was open. Monday thirty-two head office clerks and fifty-five field men reported for duty. Tuesday messengers returned from Los Angeles with $5,000 in cash. Wednesday paid the first death claim since the disaster. Two special Wells Fargo cars loaded with equipment left New York. Thursday paid twenty-three death claims; Friday paid seven death claims; Saturday paid eight death claims; Monday twelve; Tuesday, twelve; Wednesday eight and Thursday seventeen, and Friday thirteen, beside issuing 1,956 new policies.

On the following day 2,345 new policies were issued and all the old force are at it like clock work. It requires considerably more than one conflagration and earthquake to seriously jar the serenity of Frederick F. Taylor and the old Metropolitan Life Insurance Company.

* * *

Widening the Streets.

The primary report of Herbert E. Law, chairman of the committee on the widening of streets, was an excellent one, embracing good judgment and should have been adopted in its entirety. The committee, after careful consideration, was unanimous in agreeing that the following streets should be widened and extended so as to separate the city into divisions or compartments that should not, in case of a general fire, expose each other:

North of Market street:

Montgomery avenue to be extended south to Market street to meet Fremont street and to be widened to 100 feet from Pacific street south; Pacific street to be widened to 100 feet from the bay to Van Ness avenue; Powell street to be widened to 100 feet from Pacific street to California; Pine street to be widened to 100 feet from Stockton to Mason; Bush street to be widened to 100 feet from Stockton to Van Ness avenue; Taylor street to be widened to 100 feet from Bush to Market street, that the blocks bounded by California, Pine, Powell and Mason, by Pine, Bush, Mason, and Taylor be treated with winding road to conform to natural grades; Sutter street to be widened from Market to Taylor street, provided the property owners donate the necessary land to the city.

South of Market street:

Van Ness avenue to be extended to Mission; Twelfth street to be widened to 100 feet from Mission to Harrison; Folsom street to be widened to 100 feet from Twelfth to the bay; Sixth street to be widened to 100 feet from Market to Channel; Third street to be widened to 100 feet from Market to Channel; Fremont street to be widened to 100 feet from Market to the bay.

* * *

Reconstruction

The question of the reconstruction on a wholesale basis of our large and (for-

merly) beautiful city is one of the most romantic and fascinating that can well be imagined. Nothing in the imagination of Jules Verne or any other Seer has reached the height of interest that this problem presents. It is not only immense from a material point of view, but unique from that of the sentimentalist. What shall we do with the opportunity?

The ideal city as regards either construction or beauty is not attainable. It is only partially obtainable from the standpoint of safety against fire. It is still more partially so—we express the opinion advisedly—from the standpoint of safety against a repetition of the earthquake peril. The former is to some extent within our control, the latter is exclusively beyond it. No building can be so constructed as to be absolutely earthquake proof. The possible violence of an earthquake shock is an unknown quantity.

But when it comes to rebuilding the city so as to protect it as far as possible from conflagration—the ordinary individual risk or block fire is an easy matter—we express our belief that a clear break should be created, by means of an open park, such as Union Square, at about every tenth or twelfth block, throughout the city and excepting no portion.

Furthermore, at every tenth of twelfth block, the street should be required to have a minimum width of one hundred feet. These two joint features, taking into account also the more scientifically solid construction of buildings, which will undoubtedly be the rule, would make the whole city as conflagration proof as Salt Lake, and the companies' liabilities would then be figurable not as a whole but by groups of ten or twelve blocks.

While all kinds of public assembly buildings should be A class, it is manifest that there must, in the nature of things, be frame dwellings and smaller retail stores, everywhere outside the fire limits. But let them equally come within the ten or twelve block and one hundred feet rule, and they will present no unusual hazard,—no hazard that cannot be easily provided for in the rate, or that need embarrass any company operating with due regard to its relative financial strength.

The extensions agreed on of the fire limits are ample. In not a few cases they will work a hardship on individual small owners, who cannot afford to put up more expensive buildings than they owned before the fire, and who almost entirely relied on their buildings for their small incomes. But the greater good must prevail.

Perhaps the most significant evidence of the moral effect of the disaster is the docility of the supervisors in accepting the new building laws and new fire limits. There must be many of them whose inclinations would, under normal conditions, have made these irreconcilable. But the enormity of the disaster has quelled all feelings but the one which bids them do what they are told by those who know more than they do, and they are willing to give their best in planning the future of the city, morally, financially and physically.

* * *

New Building Laws

The new building laws of San Francisco will limit the height of the class A buildings to conform to the width of the street. Such structures will be limited in height to two and one-half times the height of the thoroughfare on which they front.

The heights of other buildings will be fixed as follows: Class B fireproof buildings, 102 feet; class C buildings, with metal lath, 70 feet and with wooden lath, 55 feet; frame buildings, 45 feet.

Class A and B buildings within the fire limits are to be built of incombustible materials and allowed in all parts of the city.

Class A buildings will have steel frames carrying all wall and floor loads.

Class B buildings are to built with steel or reinforced concrete frame, and with brick or reinforced concrete walls supporting a part of the floor loads, or with walls self-supporting only, the floor being carried on the steel frame, all floors to be fire proof, and, except the frame, to be equal in all respects to Class A.

Class C buildings to be built of brick or concrete walls and timber interior; to be in effect the same as class B of the present ordinance. Class C buildings to be allowed in all parts of the city.

The bond of all parties engaged in installing electric appliances will be raised in amount from $500 to $2,500, so as to keep irresponsible parties out of the business.

The presence of F. H. Porter, the underwriters' representative on the committee, has brought good results. Mr. Porter is well acquainted with the city's needs in respect to proper building construction and no better man could have been selected.

BACK TALK.

On the morning of April 18th, the office of the Adjuster was moved from its former location at 303 California. It came down about three days later at 520 Walnut avenue. At that time its equipment consisted of a kitchen table, a lead pencil, fifty postal cards and one volume of Hayden's "Cyclopedia of Insurance in the United States, 1904-05." It was then that I made my appeal to a few choice journalistic spirits for back numbers of the Adjuster. I somehow felt that if but a remnant of that file could be rescued from oblivion the situation would not appear so entirely desperate. And for the liberal manner in which this appeal was responded to I wish to return thanks. They came by mail, by freight, by express, the smoke is cleared from the atmosphere, mother earth has ceased to wriggle, the ruins are being cleared away, a new city is being builded and I have added several State insurance reports and a Flitcraft Manual to the library of which the little blue volume was the nucleus.

* * *

An exchange remarks that for some time to come legislatures and the newspapers in this State will have less to say about keeping money at home by patronizing home insurance companies to the exclusion of outside companies, adding that municipal insurance in a case like San Francisco's would be of little value in providing funds for the rebuilding of the city.

For a little time too, perhaps, there will be less talk of Eastern companies supporting the Western portion of the country, draining it in premiums which collectively go to the enrichment of Eastern and foreign companies. At any rate we are mighty glad to take what is coming to us now and to be in a position to thank God and the solvent companies for it.

* * *

The Weekly Underwriter charges the president of the Continental Insurance Company with having a candid belief.

* * *

The Index has been slapping the London Guarantee. The uncomplimentary reference to Captain Masters will not change the opinion in which he is held in this country. Mr. Masters is a gentleman from his feet up, and has conducted the business of his company in a straightforward manner.—Ins. News.

If the big company has been slapped and the big man pricked it is safe to say that both are entirely oblivious of the infliction and will go right along attending to business as if nothing had happened.

* * *

"By private letter we hear that considerable disturbance of the surface of the city has taken place at San Francisco which will cause serious trouble to the owners of city lots. In some places the ground has been thrown up ten feet and over."—Chronicle, Montreal, May 4th.

In some places great holes have been made in the ground which will be bricked up to form basements and sub-basements for big Class A sky-scrapers and it was in digging these holes that the ground was thrown up ten feet and over. You tell the man who is writing these letters to you that he must stop before you become unduly excited and something snaps.

* * *

Fire insurance has never been guilty of flaunting that jewel—consistency—and the rate war now in progress at Bowling Green, Ohio, serves to show the absurdities of that method of meeting competition. With the companies needing every dollar they can get to meet the heaviest loss in their history, they are writing business wholesale at Bowling Green away below the cost of carrying the insurance, merely because the Continental wants to go on the warpath. Some of these days such absurdities will bring about the enactment of a law forbidding insurance companies to write at less than the ascertained cost of carrying the business, with all that that will involve of paternalistic interference in their business.—Insurance Post.

Human nature is the same the world over and under all conditions. While the fire was burning everything east of Van Ness avenue it required the citizens police and two regiments of soldiers to prevent the other people from burning the small remaining portion of the town by kindling fires in defective chimneys and using broken gas fixtures for illuminating purposes.

* * *

For material aid in re-establishing the Adjuster's files, providing the office with insurance literature and extending other

evidences of genuine sympathy and good will my heartfelt acknowledgements are due A. J. Flitcraft, of the Life Insurance Comant, C. I. Hitchcock of the Insurance Field, W. E. Underwood of Assurance, Charles A. Hewett of the Insurance Post, Charles I. Simmonson of the Insurance Herald, Robert B. Moyer of the Insurance Monitor, Geo. W. Hatch of the Age, George Moffatt of Hartford, Warren Hayden of the Insurance Journal Company, B. F. Hadley of Insurance Advocate, C. M. Cartwright of the Western Underwriters, J. N. Russell, Jr., and others. I would like to write down here all the kindly expressions and words of encouragement that have come from these good fellows of the insurance press. They will certainly be treasured a pleasant memory for many years to come.

* * *

Recognizing that our contemporaries of the insurance press of San Francisco have sustained the paralysis or complete destruction of their plants The Insurance Field as a matter of professional courtesy will place all the important agencies of the Pacific Coast on its mailing list. Though every effort has been made by telegraphic inquiry to learn the extent of the misfortune that has come to the insurance papers of the coast no information so far has been secured and until further notice the subscribers of our contemporaries will be supplied with the news of the situation through the medium of our columns.—Ins. Field.

Only those just emerging from the shock of earthquake and the scourge of fire are in position to appreciate my emotions upon reading the above Saturday in pants and shirt, the soles of my shoes burnt to the feet, with cinders fast falling and the ruin of the city watched through clouds of hot and blinding smoke, with dwelling and office and printery gutted and devoured, when all seemed lost and despair about to place its withering touch upon my brain, this telegram from the Field offering to look after my subscribers brought me back to life and business with a bang that could have been plainly heard above the roar of exploding dynamite and falling buildings. And they say that Champ. Hitchcock once walked past a quarter on a dead man's eyes without picking it up.

* * *

Just before the Insurance Post of April 18th went to press news arrived at Chicago of San Francisco's fire and earthquake enabling that enterprising paper to get in a very fair, but abbreviated report of the occurrences. The last two lines about the tidal wave that pranced over the town and left on the streets a number of big ships was just a trifle overdrawn, however.

* * *

A brave man was Dennis Sullivan, chief of the San Francisco fire department who met his death blow early on the morning of the 18th of April and his knowledge of the city and devotion to his duty make it difficult to replace him. He died in the effort to save his wife who survives him and it is said that a pathetic incident of the last hours of the brave chief was when Fire Marshal Towne visited him and tried to conceal from him the fact that the city was in flames. Chief Sullivan died believing that the fire department he had so long commanded had not met its first great defeat.

* * *

Our "I-told-you-so" Denver contemporary publishes what he calls a "Prophetic declaration made as to the conflagration hazard of San Francisco," taken from a previous number of that valuable paper in which it is asserted: 1. "Outside of a little bunch of brick buildings down in the very heart of the city the town is practically built of redwood."

And yet the little bunch of bricks was the first to go, and in its entirety, leaving much of the redwood construction intact.

2. "This frame construction was originally designed because of the danger of earthquakes which have threatened serious damage to the city in years gone by. This contingency has practically passed."

In view of our very recent experience this latter declaration is particularly startling and plainly establishes the standing of our contemporary as a prophet.

* * *

Now tender verdure begins to clothe the country slopes; now Corydon seeks his Phyllis in the Public Garden, and Michael holds tryst with Honora at City Point. But! ah, the budding vernal glee doth not penetrate the offices of the Boston "street." Not for many a moon, depose the occupants thereof, has business been so dull, and they retire into the furthermost, darkest corners, shrouding themselves in purple gloom. "Nothin' Doin'" is the epigraph written, not in

words, but in expression on many a troubled brow. What with the dissatisfied rumblings anent the 20 per cent commission question, the mutterings of revolt among the suburbans, the strong man Howes far away on blue water, it is to be feared that the only consolation remaining is the memorable one attributed to a British foot soldier: "Cheer up, me 'earties; things be a blooming lot worse afore they're any better!"—The Chronicle.

Never was truer prophecy. The above appeared in our contemporary of the 18th when the San Francisco fire was just twenty-four hours old.

* * *

He had no reserve.
He lacked stamina.
He was almost a success.
He clung to his prejudices.
He failed to digest his education.
He did everything "just for now."
He did not keep up with the times.
He lacked the fire that kindles power.
He never learned to let go of the rubbish.—Success.

And, by the way, something like the above was very much like some companies that have recently passed in their checks. They had no reserve. They lacked stamina. They were almost a success for three-quarters of a century or more. They clung to their prejudices against advertising every mother's son of them. Experience taught them nothing. Present stinginess became past conservatism compelling them to walk backwards in rapt admiration of their own shadow until they backed into the catastrophe for which they were unprepared. They failed to keep up with the times and were weakened by old foggism and the rubbish of ages. Read the history of the first fire companies that failed, the two Americans, the Mercantile and the United States, and their disease is diagnosed plainly and completely.

* * *

"Would directors of an insurance company be protected if they should voluntarily pay moneys out in amounts relatively large with reference to their capital and surplus assets where no contract or legal liability therefor existed? Upon what principle could they rely for justification? They are acting as trustees. Can they give away the money of the company? Clearly not. They cannot commit waste. Take a situation where the policy and the law make it, to say the least, extremely doubtful whether, aside from any mere technicality, there is any legal liability, and what is their fair and proper duty?

"Have not the policy-holders in the other great cities and in the towns and villages scattered far and wide through the land and the stockholders the right to expect that the directors of the company will not divert and appropriate the assets of the company by payment, where the company may be under no lawful obligation? Common sense and fair dealing require that these important questions be carefully taken up and considered in a calm and intelligent spirit.

"Every dollar of actual liability should and probably will be discharged as soon as it can be ascertained, but to blindly rush forward and say that every 'demand' upon the company will be met, implying that every claim will be paid regardless of whether the company is liable therefor, is something that cannot be properly done. The matter should be taken up in a broad and honorable way, but this compels due regard to what is just and lawful, without which no one could feel confidence in any board of directors and the directors could not reasonably expect to be free from personal responsibility."—Underwriter in the Journal of Commerce.

You are just exactly right in every thing you say, my dear boy, but don't you go and get excited and flustrated until there is some apparent necessity, for it is barely possible that you may unexpectedly have an earthquake of your own some day in which event you will require all your nerve for the cultivation of a collected demeanor sufficiently reposeful to deceive and excite the envy of your neighbors. Take my word for it, the policyholders in the little towns and big cities are to have their rights protected and due regard will be paid to what is just and lawful. If this is not true you may bite me with a yellow dog.

* * *

The Pacific Underwriter, Robert W. Neal, proprietor, and Will W. Taffinder, editor, has established itself at 777 Bacon Block, Oakland, Cal. Both the proprietor and the editor saved all their white shirts and have effected an entire change of linen each week since the fire. By the way, Mr. Taffinder's name was formerly not Will W. but Will G. Immediately after the fire, when his cards were

being printed, the compositor announced that there was not a "G" in the "case," and that some other letter would have to be selected. "How are you off for 'W's' " inquired the accommodating Taff. "Plenty of 'W's,' " replied the printer. "Stick in a 'W' then," said the editor, good naturedly, "This is no time to be particular," and in it went.

* * *

Phil Bolger, the casualty man, is located with E. G. Landers and the London Guarantee and Accident, out on Eddy street, number 1359. Phil says he was not at all scared by the earthquake, but when a man slams a door now, or sets down hard, it makes him so almighty mad that he feels like killing him.

* * *

Perhaps the addition of the California page to the book of the fire loss experience will help a little to convince the misguided advocate of municipal insurance of the utter fallacy of their Utopian theory. How impossible would be the payment to itself of the probably more than $150,000,000 which the insurance companies stand for in San Francisco must, of course, be apparent to any body but an imbecile.—Underwriters Review.

And the above elegantly peorated outburst of virtuous indignation reminds me that filed away somewhere in the archives of the State capitol is a law prohibiting the insurance of any State building. Did any sufferer by the present conflagration have a hand in forming this measure?

* * *

Arthur E. Harrell has wearied of editing the Insurance Critic and has joined the editorial staff of the staid old Insurance Monitor which cannot avoid being better by the connection. The next issue of the Critic following Harrell's withdrawal advertised the sale of its library, consisting mainly of State insurance reports, each having a price tag affixed varying in value from 25 cents for a Kansas report to $2.00 for one from Illinois or Connecticut. Duplicate bound volumes of the Insurance Critic are listed at $5.00 each, while bound volumes of the Weekly Underwriter may be had for $2.00. It is interesting to note that a Review of Life Insurance 1871-1898, by John A. McCall, with autograph is valued at $2.00 although it cost $5.00 to produce and that Hayden's Cyclopedia of Insurance in the United States are $5.00 each. Sixty dollars is dirt cheap for a complete set of this last work.

* * *

Among the victims of the San Francisco conflagration were the Coast Review, Adjuster, and Insurance Sun, whose offices were completely burned out. The Indicator extends its condolences to its brethren and trusts that they may speedily recover their balance and issue their publications as of yore.—Indicator, Detroit.

So far as the Adjuster is concerned it never had much of a balance to lose and has not missed any issues that it knows of. But personally I am pleased to have discovered a brother and for his peace of mind will say that "Yore" couldn't hold a candle to the glorious future shaking its tail feathers over San Francisco now just sprouting from its ashes, a city beautiful.

* * *

My good friend C. H. Jackson, agency secretary of the Security Mutual Life, winds up one of his characteristic appeals to the company's agents with the following words:

"Only sixty days left. Make every sixty seconds of the said sixty days count for something. Cross the line a winner. It will pay you to do so. Don't sit around indoors these balmy days. Get out in the open. Right now is your opportunity. Make the best of it. Tomorrow may never come."

We are not sitting round indoors. We are camping out in the park and cooking in the open on a stove constructed of bricks set thin edge up and supporting a grill made from a portion of the iron fence of the Hopkins Art Institute. There may be but sixty days left but this is infinitely better than it looked three weeks ago and will give us ample time to adjust insurance losses and get out a couple of editions of the Adjuster. The reference to the time is entirely uncalled for.

* * *

Here is a very easy puzzle for even the dullest to solve. The president of an American fire insurance company begins a circular letter to his agents with the following sentence:

Many "hard hit" companies are saying they will pay their San Francisco losses and continue in business. We are glad that such is the case and we do not seek

to belittle the strength of any of our competitors.

Who is the president?

* * *

Impertinent questions (answers may be sent by mail-. Evans, president—Even if good business, do you think it good manners to disparage the smaller companies at this time?—Ins Record.

Immediately following the first shock I took advantage of the temporary lull to turn over a new leaf and have since religiously striven to live a better life with charity in my heart for everybody. Actuated by this motive and as evidence that my humility was complete I confess to having written to the Continental Insurance Company offering to carry its advertisement at a rate but slightly in advance of that demanded of other companies. But all this was before having read the Henry Evans circulars to his agents that have been sent broadcast over the land since the San Francisco fire. The Adjuster needs advertisements and cash as never before in its history; so great is the yearning for these props to our shaken fortunes that the tainted coin of our bitterest enemy, if proffered in the proper spirit, would now be accepted with complaisancy, but there are depths to which we cannot descend in search of filthy lucre, and one of them finds a congenial occupant in the president of the Continental Insurance Company.

* * *

Since San Francisco was struck by fire and earthquake quite a number of our Eastern contemporaries have discovered that although companies have continued for years to make money here, according to generally accepted theories, they ought to have lost. However, not one of them has had the temerity to say, "I told you so."

* * *

Some one says "the express ratio in fire insurance is steadily increasing." What is the difference between this and the last ratio?—Philadelphia Intelligencer.

On the Coast, just now, the "express ratio" is ascertained and multiplied by 500, the result being the "loss ratio."

* * *

Several people have left San Francisco, but of those who remain not one could be induced to say that there is danger to be apprehended from another earthquake, at least by anyone now living. And even if one should come the buildings will be so constructed as to successfully resist any such attempt at dislodgment as the one made by our recent visitor. But notwithstanding these conditions it will be just as well for companies hereafter doing business in this city to carefully eliminate the clause preventing them from being liable for fire caused by earthquakes. Our people are sensitive and for this and other reasons it may just as well be left out.

Permission for Temporary Plants.

Manufacturers have been given permission by underwriters to establish temporary plants under conditions which the manufacturers desire subject to the following restrictions:

Buildings of heavy timber, "mill construction," frames and floors with exterior walls and roof of corrugated iron fastened to the timber frame and without boarding, not exceeding 45 feet in height, used only for manufacturing purposes other than woodworking, may be erected within the following described limits:

Beginning at the intersection of Powell street projected and the bay of San Francisco; thence southerly along the center line of Powell street to a point 137½ feet southerly from the southerly line of Bay street; thence easterly, parallel with and distant 137½ feet southerly from the southerly line of Bay street, to a point distant 137½ feet westerly from the westerly line of Kearny street; thence southerly, parallel with and 137½ feet westerly from the westerly line of Kearny street, to the center line of Chestnut street; thence easterly along the center line of Chestnut street to the bay of San Francisco; thence northeasterly along the shore line of the bay of San Francisco to the point or place of beginning.

Also, beginning at the intersection of Howard street projected with the bay of San Francisco; thence southwesterly along the center line of Howard street to the center of the intersection of Howard and First streets; thence southeasterly along the center line of First street to a point 137½ feet southeasterly from the southeasterly line of Folsom street; thence northeasterly and parallel to and 137½ feet southeasterly from the southeasterly line of Folsom street to the center line of Main street; thence southeasterly along the center line of

Main street to the bay of San Francisco; thence following the shore line of the bay of San Francisco northwesterly to the point or place of beginning.

A Word by President Harrison

This catastrophe, in its origin and in its immensity, has been quite beyond all reasonable human calculations. San Francisco has been for years the most prosperous and wealthy city on the Pacific coast, with a magnificent harbor and trade and relations with the whole world. It has been a favorite place for insurance companies. The rates have almost without exception been maintained at a high figure, and it has often been our reflection that when the rest of the United States was poor, the Pacific coast was the one bright spot. We commenced operating there in 1879 and have ever since transacted a large and successful business, yielding steady profits. Indeed, I may say that the surplus on our underwriting in San Francisco for the last fifteen years has been nearly 30 per cent. on the premiums.

You will understand, therefore, that business was competed for keenly, and we, at the time of this catastrophe had—chiefly in consequence of this very competition—an appreciably smaller business than we used to have ten or fifteen years ago. That there was a conflagration hazard was recognized by nearly all underwriters, but we have had the most exhaustive reports made from time to time by our experts, and it was considered that a fire, if not nipped in the bud, could, without much difficulty, have been confined within reasonable portions.

Imagine a town half the size of Liverpool with almost the whole of the city proper of massive construction, and with two great fire breaks miles long formed by Market street and Van Ness avenue, each having a width of approximately 120 feet. And then realize what the fire protection was when I tell you that there was in San Francisco no less than forty fire brigade stations, all in intimate communication with each other and having in the aggregate something like sixty fire engines.

But it is always the unexpected that happens and human foresight could scarcely have imagined that a great earthquake could have occurred, with the result that the whole system was rendered useless by the instantaneous rupture of the mains and the consequent destruction of the water supply. Nothing in modern history could have made us suppose that such an event, in its awful completeness, was possible. We must take some risks, and if we were to be always calculating upon contingencies as remote as this, why then it would mean withdrawing into our shell, and by such policy we never could have become a great company, with an unlimited future.

Fire Protection—Doors and Windows.

The National Fire Protection Association's committee on fire protecting coverings for window and door openings says in its advance report:

"Your committee wishes to again call attention to the desirability of uniform methods in providing the desired protection of this character and to urge a more hearty co-operation of members to this end. It is fully aware that the present rules are often somewhat general and perhaps do not always cover all points as fully as may be desired, but the committee is always willing and anxious to receive suggestions for their improvement, and our standards are always open for discussion at the annual meetings of the association. No good reason is apparent why the present rules cannot be perfected to such a degree that they will serve as a standard in its broadest sense. Certain it is that the methods specified after careful consideration by the association, and which represent the consensus of opinion of the many, will produce better results than methods based on individual experience.

"The committee has invited criticisms and suggestions for the improvement of existing rules covering the various retardants and appliances thus far considered, and would report that the opinions received have generally been to the effect that the present rules cover the subjects in a satisfactory manner. No very extensive changes have been suggested and the recommendations have been confined to those for which there appears to be the most need."

New Building for the Royal.

The Royal Assurance Company of London will erect a handsome building on its property cornering on Pine and Sansome, which it purchased nine years ago for $145,000. The bare lot to-day could be disposed of for a considerable advance on this price.

As the Scene Impressed W. R. Hearst.

As the boat drew near the San Francisco side, however, the fearful havoc of the actual destroyer, the fire, began to appear. The destruction was awful, utter, complete.

I looked to compare the burned district with what remained unburned. Practically nothing remained unburned. The burned district was everywhere. I looked for the outlines of gutted buildings. There were hardly any of those. The city had not only been burned, but burned to the ground.

When I landed from the ferry the awfulness of the disaster almost overpowered me. There was nothing to be seen but a desert of tumbled brick, twisted iron and blackened timbers. Out Market street, as far as the eye could reach, there was nothing but ruins. North to the bay, west to the Mission, nothing but ruins. The wholesale district was destroyed, the retail district was destroyed, the manufacturing district, the financial district, the water front section—all destroyed. The hills rolled to the seas as bare as when the pioneers landed in the days of '49. But the hills that welcomed them were shining in green and covered with grass and shrubs and trees, while now they are a blackened waste. Instead of grass there are acres of ashes; instead of shrubs there are but twisted iron and steel; and instead of tall trees there rise burnt brick chimneys and ragged fragments of walls towering above the desolation that surrounds them.

I will not attempt any detailed description of this scene. I know that no description gave me the slightest understanding of what had occurred, and I do not believe that any words of mine could convey to a reader the slighest comprehension of this interminable area of wreck and ruin. Indeed, to get any sort of accurate impression one must free the mind of the idea that there has merely been a fire, no matter how great, IN San San Francisco. The city burned unhas been a fire OF San Francisco; that the whole city has gone up in one mighty blaze that roared and raged and burned for three days and nights and left nothing standing but a fringe of houses along the southern and western limits.

If a bonfire of barrrels and boards and packing boxes had burned until it had burned itself out there might remain some few sticks on the edges that had not been wholly destroyed. So it is with San Francisco. The city burned unchecked for days without water, without effective hindrance of any kind. When the fire stopped it had practically burned itself out. It had got to where the houses were so thinly scattered that there was difficulty in finding fuel for the flames.

Freaks of the Fire and Quake.

On the northwestern corner of Second and Mission streets is a two-story brick building. Directly opposite was the Adjuster printing office, on another corner the substantially built and supposedly fireproof building of Wells Fargo and Co., occupied by the Metropolitan Life and the fourth corner diagonally across from the little two-story brick was occupied by a manufacturing establishment. After the fire had swept everything for blocks around this two-story building was discovered unharmed, the restaurant and saloon standing ready for business without a plate broken or a pie misplaced. The premises were protected on the west by the wall of a high building without openings and in the same manner on the south.

Many tall dwelling house chimneys are discovered still standing, solitary, throughout the burned district, with the portion that formerly extended above the roof all but twisted from the main shaft, showing the effect of the earthquake, but continuing to be held precariously in position by gravity, although ready at any moment to topple off.

A two-story dwelling on Devisadero street was thrown from its foundation and would have collapsed across an eight-foot alley had not some one left a high lumber wagon in the opening, which served as a prop.

All that was left standing of the Mechanics Library building was a small piece of wall just large enough to afford support to a large bronze bas relief of James Lick, its patron.

The immense damage done to overhead wires should be a practical object lesson to the telegraph and telephone companies of the wisdom of having them placed underground.

Board of Marine Underwriters.

For conveniences of houses located in San Francisco, the Marine Underwriters will attend daily in the basement of the Merchants' Exchange, from 2:30 to 3:30 p. m. Edm. L. Woods, Secretary.

The Mutual Life Insurance Company of New York

New York, February 15, 1906.

To the Board of Trustees of the Mutual Life Insurance Company of New York:

Gentlemen—The undersigned were appointed a Committee, pursuant to the following action taken, as set forth in the minutes of your meeting held December 6, 1905:

The President then stated that the by-laws required the appointment of a committee of four at the close of each fiscal year to examine the accounts and assets of the Company, and offered a resolution covering the point, which was as follows:

Whereas, Section 47 of the By-Laws of the Company provides that at the close of each fiscal year the accounts and assets of the Company shall be examined by a special Committee of four or more Trustees (not members of the Finance Committee);and

Whereas the Special Committee of the Board of Trustees appointed October 25, 1905, is about to engage in such examination, and it is inexpedient that the accounts and assets of the Company should be subjected to the examination of two committees at the same time actuated by a like purpose;

Resolved, That the Special Committee to examine the accounts and assets of the Company consist of Messrs. William H. Truesdale, John W. Auchincloss, Stuyvesant Fish, and

Resolved, that such Committee of four be also appointed as a Committee to audit the annual statement of the Company for the year 1905.

The resolution as offered was, on motion duly made and carried, adopted.

The question of the additional member of the Committee to examine the accounts and assets of the Company was then taken up.

On motion, duly made and carried, it was

Resolved. That the President be empowered to appoint the additional member.

On motion duly made and carried, it was

Resolved, That the President have power to appoint alternates, if necessary, to assist in this work.

The President of the Company subsequently appointed Mr. William P. Dixson as a fourth member of this Committee.

Section 47 of the By-Laws of the Company reads as follows:

47. At the close of each fiscal year, the accounts and assets of the Company shall be examined by a special Committee offour or more Trustees (not members of the Finance Committee), whose report shall be placed on the minutes.

Your committee beg to report that they have examined the accounts and assets of the Company as of December 31, 1905. The extent of the work to be performed and the necessity of doing it within a limited time precluded the possibility of the members of the Committee personally counting the securities. This work was entrusted to Messrs. Haskins & Sells and Messrs. Deloitte, Dover, Griffiths & Co., the Public Accountants engaged by the special Committee of the Board of Trustees appointed October 25, 1905.

Your Committee have, however, given their personal attention to the methods pursued by the Accountants in doing this work, and did severally attend from day to day while such counting was going on. They have familiarized themselves with the methods of counting, checking over and examining the securities, pursued by the Accountants, and beg to say that they approve thereof.

Your Committee have personally examined with care into the values at which the various securities are entered on the books of the Company, compared them in detail with the market report of such values, and have looked thoroughly into the prices at which the stocks, bonds and other securities owned by the Company are carried on its books and have found the valuations there given safe and conservative; in many instances less than the market value and in none in excess of such value.

Through the Accountants above referred to, all deposits in banks and trust companies have been verified, and the cash on hand has been counted and found to agree with the statement thereof.

Your Committee have also, through the Accountants, examined all the bonds and mortgages on real property, all loans upon collateral security and upon policies of the Company, and have in respect to each found the security ample, with proper and abundant margin on the loans. They have also gone very thoroughly into the methods pursued by the Accountants in making such examinations, and into the valuations put upon real property mortgaged to the Company and approve the same

The Committee certify that the investments of the Company are of the highest order and well selected, and with regard to their safekeeping desire to report that they are most favorably impressed with the methods under which the work in the Treasurer's Department, in caring for the securities of the Company, has been and is transacted. The committee were much pleased with the thorough, systematic and careful manner in which this important work of caring for these, the principal negotiable securities of the Company, is and has been done.

Your Committee beg further to report that in respect to auditing the annual statement of the Company for the year 1905, they caused to be transmitted to the President a report, of which the following is a copy.

Office of the Public Accountants, New York, January 31, 1906.
Mutual Life Building, 32 Nassau Street.

In re The Mutual Life Insurance Company of New York.

Interim Report of the Public Accountants at present engaged on an investigation of the affairs of the Company.

W. H. Truesdale, Esq., Chairman of the Committee of the Board of Trustees of the Mutual Life Insurance Company of New York.

Sir—Under appointment by your Committee we are now engaged on an investigation of the affairs and an audit of the books and accounts of your Company for the two years ended December 31, 1905.

In pursuance of our duties, we have at this date, examined the following assets, viz..

INVESTMENTS IN GOVERNMENT, RAILROAD AND OTHER BONDS.

We have counted and examined bonds and certificates representing bonds, owned and held by the Company having a par value of $133,352,600, and have verified by acknowledgments of State and Foreign Governments that they held on deposit bonds having a par value of $9,580,180.11 The total par value amounts to $192,932,780.11 and we have verified the market value thereof as $191,417,569.30.

INVESTMENTS IN RAILROAD, BANKING INSTITUTION AND OTHER STOCKS.

We have examined certificates of stocks owned and held by the Company having a par value of $30,235,600.00 and have verified by acknowledgments of State and Foreign Governments that they held on deposit Certificates of Stocks having a par value of $1,475,000.00. The total par value amounts to $31,710,600.00, and we have verified the market value thereof as $73,884.08.

LOANS SECURED BY MORTGAGES ON REAL ESTATE.

We have examined the bonds and mortgages held by the Company as security for its loans on Real Estate, and haveverified that such Loans amount to $109,771,163.16 (3,930 first liens). The titles are now being inspected and the properties are being valued by appraisers appointed by your Committee.

LOANS SECURED BY BONDS AND STOCKS HELD AS COLLATERAL.

We have examined the Notes representing these Loans and the Bonds and Stocks held by the Company as collateral security therefor, and have verified the amount of such loans as $18,195,000.00 The Market value of the collateral security was found to be more than 20 per cent in excess of the amount of each loan.

LOANS SECURED BY COMPANY'S POLICIES.

We have examined at the Head Office 48,734 Loan Agreements and assigned policies held as securiey, representing loans to the amount of $26,999,011.99, and we have examined in London 1,685 Loan Agreements and assigned policies held as security, representing Loans to the amount of $873,912.66, thereby verifying Loans to the amount of $27,872,924.05, secured by the Company's policies. The Policy Loan Agreements held at the Branch Offices of the Company in South Africa and Australia, where we are at present examining them, are stated by the Company as amounting to $325,354.79. The total of all these loans amounts to $28,198,278.84.

CASH.

We have verified the Cash on Deposit by certificates obtained from the banks and Trust Companies in which such deposits were held, amounting in the aggregate to $9,244,742.98, and we counted the cash on hand in the Head Office at the close of December, 1905, amounting to $25,770.10, making the total amount of Cash verified $9,270,513.08

PREMIUMS DUE AND UNCOLLECTED, AND DEFERRED PREMIUMS.

We have examined the records of the Company as to policies in force at the close of December, 1905. and have verified the gross amount of Premiums due and Uncollected as $4,596,209.53 and the gross amount of the Deferred Premiums as $2,873,396.31, making a gross total of $7,469,605.84.

We hereby certify, that the books of the Company agree with the Assets herein specified as having been verified. Real Estate owned by the Company in the Borougns of Manhattan and Brooklyn, New York, and in Boston and Philadelphia, has been valued by your Committee's appraisers, Messrs. Douglas Robinson, Chas. S. Brown & Co., at the sum of $24,595,000.00, which, less a purchase-money incumbrance of $275,000.00, is $1,648,999.33 in excess of the Company's net book value. The other Real Estate owned by the Company is now being valued by your appraisers.

(Sgd.) HASKINS & SELLS, Certified Public Accountants

(Sgd.) DELOITTE, PLENDER, GRIFFITHS & CO.,
Chartered Accountants.

All of which being respectfully submitted, your Committee beg to be discharged.

(Sgd.) W. H. TRUESDALE,
JOHN W. AUCHINCLOSS,
STUYVESANT FISH,
WM. P. DIXON,
Committee.

The Greatest Fire in History.

A glance at the diagrams appearing in this issue of the Adjuster tells more plainly than could columns of descriptive writing the story of awful devastation and ruin visited by fire upon San Francisco as a consequence of the earthquake of April 18th.

At thirteen minutes past five o'clock on the morning of Wednesday, the first shock came that not only through the wreckage of buildings started a dozen fires in different portions of the downtown district, but immediately and effectually wrecked the flimsily constructed mains of the Spring Valley Water Company leading into the city, thus from the first moment rendering San Francisco's splendid fire department helpless and property values doomed.

The result all the world knows. A property loss exceeding $300,000,000; a community of 300,000 homeless, hungry and helpless and a beautiful city wiped off the map.

On the property destroyed there will probably be discovered an insurance of $150,000,000 on which the companies will effect a salvage of perhaps $25,000,000.

The apportionment of this sum to the companies has been attempted by different journals in various ways, the application of a percentage basis to premiums, net loss estimates as computed by companies themselves and just plain average guessing, but it will be months before the exact figures are known and in the meantime it is gratifying to know that the fire insurance companies have demonstrated their entire ability and inclination to perform every obligation discovered in their contract.

The magnitude of the area covered by this conflagration is comprehended when it becomes known that the area of the Boston fire added to that of the Chicago and the Baltimore fires would not make altogether one-half the area of the San Francisco fire.

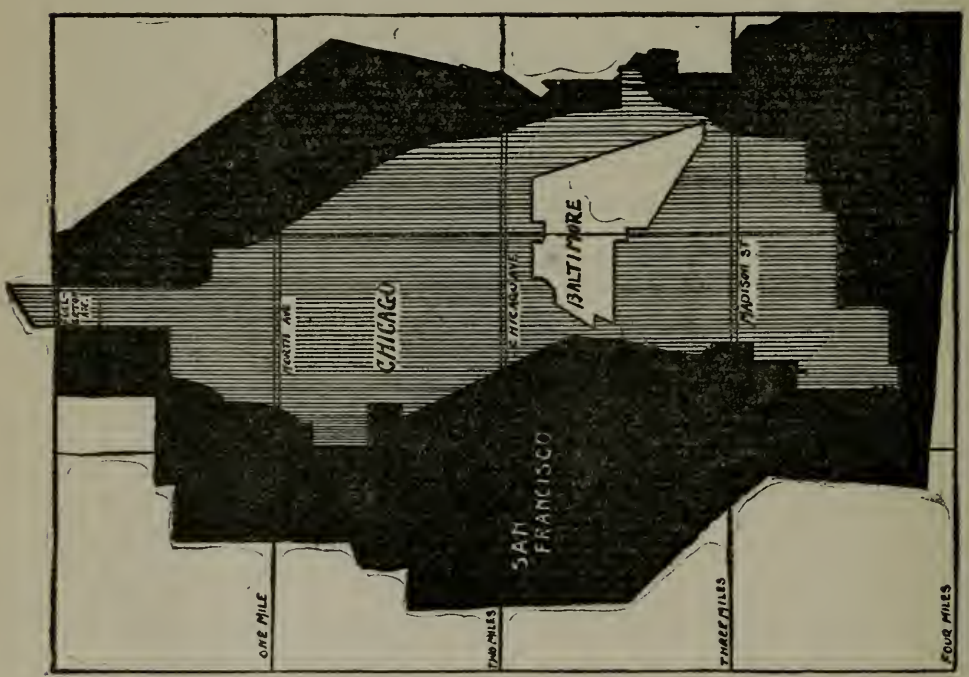
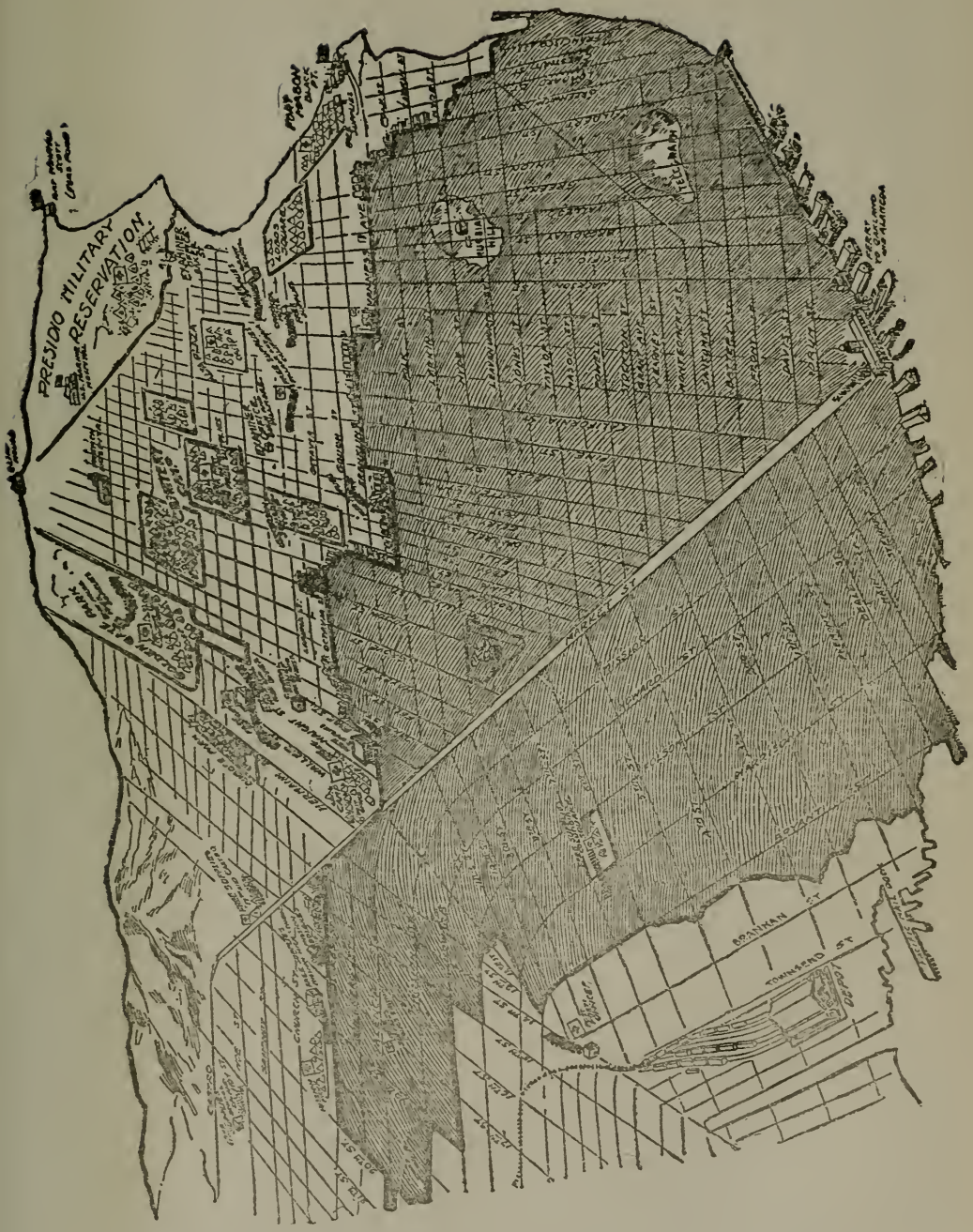


Diagram of Comparative Area

Comparative Area of Four Great Fires



The Burned District of San Francisco is shown within the heavy black lines

The New Fireman's Fund.

At a meeting of the directors and leading stockholders of the Fireman's Fund Insurance Company, held May 9th, it was unanimously decided to organize a new company to be known as the "Fireman's Fund Insurance Corporation" with $1,000,000 capital and $1,000,000 surplus, this company to assume all risks written by the old company since April 18th, take over the old agency organization and thus continue to protect its clients with new capital and surplus leaving the entire $8,000,000 as assets of the old corporation available for settlement of existing obligations, the balance of about $3,000,000, after settling these obligations, to be divided among the stockholders.

The stock of the new corporation was allotted among the stockholders of the Fireman's Fund in the proportion of their holdings in the old company, thus making it practically a voluntary assessment of 200 per cent less such dividend as will later be received from the remaining assets.

The entire holdings of the directors were immediately spoken for and more wanted.

Organization has since been effected and the company licensed by Commissioner Wolf for the year ending May 15, 1907.

The directors are William J. Dutton, Bernard Faymonville, J. B. Levison, J. C. Coleman, John Bermingham, F. W. Lougee, Charles R. Bishop, George A. Newhall, and Arthur A. Smith.

The First Six to Weaken All Old Companies.

The first six companies to reinsure their business and retire from the agency field, if not altogether, as a result of losses sustained through the San Francisco fire, are the Traders' Insurance Company of Chicago, the American of Boston, American of Philadelphia, Mercantile of Boston, the New York Fire, and the United States of New York.

All these companies had been in business for many years. With the exception of the quartette, the Traders, these companies had very small surpluses and were rather disposed to be parsiminious in their business methods, affecting an economy in managerial expenses that the result proves to have been costly indeed. All of these companies have honorable records extending over many years.

The American of Boston which reinsured in the Firemens of Newark, was organized in 1818; the American of Philadelphia began business in 1810; the Mercantile of Boston, whose business goes to the American Central, was organized in 1823; the United States Fire reinsured in the Westchester, was organized in 1824; the New York Fire, reinsured by the New Hampshire, was organized in 1832 and the Traders began in 1872.

Will Leave Branch Funds Intact.

The following companies will pay San Francisco losses from their foreign home office funds leaving the securities held by their United States branches for the protection of their policyholders in this country undisturbed:

Aachen & Munich of Germany, Atlas of England, British America, Caledonian of Scotland, Commercial Union of London, Hamburg-Bremen of Hamburg, Law Union & Crown, Liverpool Assurance Corporation, London & Lancashire, Northern of London, Norwich Union of England, Phoenix of London, Prussian National, Russia of St. Petersburg, Royal of England, Royal Exchange of London, Sun of London, Svea of Gothenberg, Transatlantic of Hamburg, Union of London, Western of Toronto.

Cautions.

The following letter has been received by California agents:

"Dear Sir: The catastrophe and calamity happening to property in San Francisco April 18, 1906, and since compels us to notify you that on all risks which the Atlanta-Birmingham Fire Insurance Company reinsures you, it will insist that you do not, in attempting to adjust losses, pay, settle, or compromise any claims unless your liability clearly appears. This company, in so far as it reinsures any risks carried by you, insists that you take advantage of all legal rights and defenses.

"The Atlanta-Birmingham Fire Ins. Co., by I. F. Dargan, President."

Change of Address

The publication of "Insurance" has been moved from the 203 Broadway to the Market and Fulton building, 83 Fulton street, New York, and the Insurance Age has gone into the Wallace building on Pine street.

The Metropolitan Casualty Co.

The following letter from President E H. Winslow will be found interesting:

We beg to announce that on June 1, 1906, the corporate title of our company will be changed from The Metropolitan Plate Glass and Casualty Insurance Company of New York to The Metropolitan Casualty Insurance Company of New York. At the time we elected to broaden the scope of our work, by taking on the lines of personal accident and health business, we felt it necessary to amend the original name of the company by adding the word casualty thereto, which we did, preferring to retain the words plate glass in our title until such time as the public should recognize the gradual change in the company's business from primarily plate glass insurance to the underwriting of various casualty.

We believe that the time has come when we should further amend our corporate title so that it will not specialize any one line of business but more properly indicate the several lines of casualty business which, we now or may hereafter engage in; hence the proposed change.

We believe that our agents and others agree with us that in presenting the company to prospective patrons the name which we now assume is less cumbersome and less unwieldy than the old style of title.

The change in name does not indicate a change in the management or policy of the company. It is the same old company and the progressive methods that have hitherto prevailed will continue.

A Hollow Mockery.

The vaults in the Merchants Exchange building were a sourch of never ending delight to the tenants of that building, previous to the fire. Those on the floor occupied by the San Francisco Board of Fire Underwriers were particularly beautiful. The doors were massive, with big impressive looking locks and when things were placed within and the bolts turned everyone went home with a feeling of security and confidenice that was touching. This feeling endured throughout the fire, but was doomed to disappointment. Everything in these vaults not of metal was reduced o smoke and ashes. Although the front and doors were of the best approved burglar and fireproof brick—construction the sides upand back were of flimsy lath and plaster. It is scarcely probable that the owners of the big building were aware of this jerry construction, but some one should be held responsible for the fraud and consequent loss.

The adjusters bureau of the Underwriters on Monday opened offices in the Ferry building in quarters assigned to it by the Harbor Commissioners. Edward D. Gilent becomes general agent for the Eagle Fire in Southern California, vice Arthur H. Nason, the latter retaining the northern half.

In the Nick of Time.

The program appeared to be that Fire Commissioner J. S. Parry was to be promoted to succeed the late Chief Sullivan, but the appearance of Geo. W. Spencer, of the Aetna, and L. L. Bromwell, of the Milwaukee Mechanic's, before the Commissioners as a committee representing the Pacific Underwriters Adjusting Bureau, occasioned a postponement.

Mr. Spencer urged that the selection of a competent man for the position of chief of San Francisco's fire department was of vital interest to everybody and especially so to the underwriters.

The commissioners argued that decisive action should not be taken before the fire insurance underwriters had had ample opportunity to be heard.

Announcement.

Immediately after the recent unpleasantness the directors of the Fireman's Fund met and ordered the following printed:

The Board of Directors of the Fireman's Fund Insurance Company announces that the company is amply able to pay all liabilities accruing under its policies involved in the great San Francisco conflagration, and at their meeting held April 27, 1906, unanimously instructed its officers to pay all claims as adjusted, and continue business as usual.

W. J. DUTTON, President.

The old guard is still on duty and never surrenders.

The Indictment of Brewer.

The indictment of William A. Brewer, former president of the Washington Life Insurance Company, for perjury, was the first one to be found by the April Grand Jury as a result of the examination into the former complicated affairs oi the Washington Life Insurance Company, alleged false swearing to the company's annual report to the State Insurance Department in 1903. It is alleged that some

1,500 policies, valued at $460,000, were reported cancelled and lapsed in order to keep down the net reserve liabilities and deceive the Insurance Department as to the true conditions of the company, while in point of fact all the policies were in force. It is said all the policies were reinstated a few weeks after the report was made.

It is alleged that President Brewer swore to the 1903 report with knowledge of the true facts. Instead of showing a surplus of $200,000, as the report did, in reality the company was in arrears $80,000 and would have been forced into bankruptcy if the 1903 report had been properly made.

On December 31, 1899, the company had a surplus of $732,125, which was wiped out inside of five years.

It is said that the full investigation by the present Grand Jury has revealed a startling condition of mismanagement of the Washington Life under the Brewer regime. It is said that figures were juggled, reports doctored, and real estate held by the company appraised out of all proportion to its valuation in order to deceive the policyholders and State officers as to the true condition of affairs and to keep the company alive in order that certain of the officers of the corporation might continue to receive large salaries.

Other indictments are expected shortly in the present investigation of the Washington Life.

Notice.

"On account of the great earthquake and fire catastrophe in San Francisco and there being no tenantable office buildings in that city, the main office for California policy holders which has been located at 81-85 Crocker building, under the management of G. M. Stolp & Son for the past fourteen years, is now transferred to their Oakland office, No. 801 Union Savings Bank building, Oakland, Cal., where all inquiries and correspondence should be addressed.

"Very truly yours,

"National Life Insurance Company, G. M. Stolp & Sons., Gen'l. Mgrs."

The Committee of Fifteen.

The personnel of the Committee of Fifteen appointed to have general supervision of the adjustment of all claims where six or more companies are interested, is as follows:

Sexton, Firemens Fund; Watt, Royal; Hewitt, Hartford; Kinne, Liverpool and London and Globe; Griffield, Transatlantic; Niebling, Commercial Union; Morrison, Aetna; Miles, London and Lancashire; Messrs. Clemens, the Phenix of Brooklyn; Caswell, Germania, New York; Coffin, German American; Ament, Home of New York; Moore, Traders, Chicago; Borbet, Northern, London; Atwood, Rochester German.

Remember the Fireman's Fund.

Arthur Hawxhurst, insurance manager for Marshall Field & Co., one of Chicago's largest insurers, says:

"There is no excuse for a scare about insurance, and policyholders should be reasonable and patient and not transfer their insurance on rumors and inadequate information. The situation is nothing like what it was at the time of the Chicago fire, when the majority of the companies involved failed. Most of them were doing business at that time on note capital, but insurance conditions have greatly improved since then, and the companies are doing business on a cash basis and with much stronger resources. We are not disturbing a single policy, and are holding especially to those of the Fireman's Fund. That company paid us $20,000 at the time of the Chicago fire in cash, without discount, assessing its stockholders to do so, and we will not forgotten it."

Security Life and Annuity.

John Worthington has sold all his interests in the Security Life and Annuity Company of America to W. O. Johnson, of Chicago, and resigned as president, treasurer and director. Mr. Johnson was elected at the adjourned regular meeting of the board on April 30th, Geo. C. Gale was elected treasurer and Col. Winfield T. Durbin, ex-governor of Indiana, became a director. Mr. Johnson is a resident of Chicago. He is general counsel for the Chicago & Erie Railroad, president of the United States Gas Company, and a director in numerous other corporations. Mr. Gale, also of Chicago, is an attorney and an associate of Mr. Johnson.

Fire Proof Construction.

"As far as construction goes, says F. W. Fitzpatrick, secretary of the International Society of Building Commissioners and Inspectors, 'many materials, though incombustible and not communicative of fire as is wood, can be very

seriously damaged by flame or heat. Severe heat will ruin their efficiency, or so impair their strength as to render imminent the danger of collapse and the destruction of life, ofttimes a greater danger even than wood, because of the greater dependence erroneously and fatuously placed on them. Granite, all kinds of stone, marble, slate, concrete, glass, iron, steel, are in that class, and if used it must be with such judicious care as to remove them from the possibility of damage by intense heat. In other words, they, too, must be protected. If your structure is built entirely of these noninflammable, but nevertneless destructible materials and is surrounded by similarly constructed buildings, and if there is no, or at least very little inflammable material in the nature of goods or furniture within those buildings, then the possibility of damages by fire to those (I say destructible) materials is very remote indeed. But if your building, which you want to keep immune from damage by fire, is set among inflammable buildings and contains highly combustible materials, then the danger you are exposed to is great, ever-present, imminent, and to secure immunity you must use none of the materials that in themselves are damageable by fire or use them with great circumspection and a perfect knowledge of how the exposure will affect them and by providing them with certain protection.

"The structural members of a building, the trusses, beams, columns, etc., may be made of steel with perfect impunity provided all these members be most amply protected in turn with burnt clay; the floor construction should be of fireproof tile, the outer walls preferably of brick, and with decorations, if decorations are wanted, in terra cotta, preferably to stone. The roof should be of cement or tile, or asbestos. The flooring should be of cement tile, or asbestos, marble, rubber, anything rather than wood, the interior finish can be very largely of plaster and metal and in a little while there will be doors and windows and other finish on the market of asbestos and cement, the perfect counterpart of wood in appearance, but virtually indestructible by fire. The partitions should be of tile. All stairways and elevators should be absolutely closed off with partitions and automatically closing doors, so that there are no vertical draught inducing openings through which fire is carried story to story. In the big office buildings to-day steel furniture, cases, files, etc., are largely used; the same thing should be encouraged in the way of household furniture. The thing is to absolutely eliminate wood from the construction of buildings, the sparing use of damageable materials there, too, and the display of common sense in the interior furnishings of the buildings, likewise in storing them with goods, etc., and you have eliminated the possibility of fire spreading beyond the confines of the space in which it originated, easily battled with and overcome and you have made it absolutely impossible for your building to be destroyed, or even damaged beyond trifling cost.

"That, in brief, is the picture of an ideally perfect building. Just as far as you depart from that standard do you incur the danger of more or less serious damage to your building."

Committees of the Fire Underwriters Adjusting Bureau.

Adjustment—H. F. Atwood, chairman; W. N. Bament, W. H. Clemons, J. C. Corbet, Dixwell Hewitt, L. A. Moore, E. C. Morrison, A. R. Hosford, J. H. Caswell, C. H. Coffin, V. C. Driffield, C. Mason Kinne, D. E. Miles, E. T. Niebling, William Sexton.

Executive—W. Palasche, chairman; George W. Spencer, Clinton Folger, W. H. Lowden, W. Irving.

Building—Rolla V. Watt, chairman; C. Mason Kinne, William J. Dutton, T. H. Palasche, Rudolph Harold, Jr.

Salvage—William Sexton, chairman; F. J. Devlin, Tom C. Grant, L. B. Edwards, D. E. Miles.

Mail and Telegrams—F. J. Devlin, chairman; Clinton Folger, J. F. D. Curtis, H. F. Gordon.

Reinsurance Agreement—L. B. Edwards, chairman; F. B. Kellam, R. W. Osborn.

Chimney Resolutions—William J. Dutton, chairman; L. B. Edwards, George H. Tyson, Arthur Brown, F. J. Devlin.

Builders Estimates and Photographs—V. C. Driffield, chairman; R. W. Osborn, George F. Grant.

New Secretary of the Mutual Life.

William Frederick Dix, recently elected secretary of the Mutual Life Insurance Company, is a graduate of Princeton University. He resigns the editorship of Town and Country to take his present position as the duties of the latter are believed to be too onerous to admit of

the retention of both offices. Mr. Dix's new book "Adventures of an Old Furniture Collector," will appear this year. He is a young man and has traveled quite extensively.

Value of Plate Glass Covered.

A correspondent to the Insurance Press says:

In buying glass the present discount in San Francisco is 75 and 10 per cent off gross list, which would bring the amount he refers to down to about $337,500. The New York Plate Glass Insurance Company does the largest plate glass business in the State of California and its amount at risk, or, more correctly speaking, the gross value of the glass insured, was about $959,000 on December 31st. Of course most of this is in the city of San Francisco, but a little of it is in other sections of the State. If all of this glass should be totally destroyed the net value represented would be about $216,000. This is arrived at by figuring the price of glass in San Francisco at 75 and 10 per cent off the gross value."

The Tyson Agency.

The splendid companies represented by Geo. H. Tyson and advertised by him as "conflagration proof" are proving themselves worthy the term. The San Francisco losses of these companies last month were approximately as follows: German American, $3,300,000, surplus to policy holders, over $7,942,675; Phoenix of Hartford, $2,000,000, surplus to policy holders, $4,250,000; New Hampshire, $600,000, surplus to policy holders, $1,029,132. Head offices were temporarily opened at 1060 Broadway, Oakland, immediately after the fire and a city office at 902 Fillmore street. All office records were destroyed.

Assisting in the Adjustments.

Among those from the East who are here assisting in the adjustment of losses are General Agent J. W. G. Cofran, of the Hartford; A. E. Larter, New York, and R. E. Hall, Chicago, for the Continental; J. W. Brooks, Chicago, for the Delaware; Frank M. Avery, Denver, and Sheldon Catlin, Pittsburg, for Insurance Company of North America; W. B. Kelly, Philadelphia, for Franklin; Sam Raymond, for German of Peoria; Manager C. W. Higley, of Chicago, for Hanover; President C. D. Dunlop, Special Agents I. T. Sturtevant and F. W. Ransom, for Providence-Washington; Assistant Manager Letton, of Chicago, for Prussian National; J. H. Lenehan, western manager at Chicago; Otto E. Greeley, of Minneapolis, and W. N. Clemens, of Cincinnati, for the Phoenix, of Brooklyn; Western Manager H. N. Kelsey, of the Sun; Vice-President George B. Edwards, of Germania; H. T. Lamey, mountain manager at Denver, and General Agent W. R. Townley, of Chicago, for the Western and British America, of Toronto, and the British American, of New York; General Agent W. B. Medlicott and Special Agent L. C. Williams, of New York, for the Atlas; David Lowrie and George H. Marks, of London, for the London Assurance; Assistant Secretary H. A. Smith, for National Fire; M. O. Brown, secretary of the Westchester; Gustav Wollager, of the Concordia; Agency Secretary C. E. Mitchell, Hamburg-Bremen; Secretary L. Candee, Globe & Rutgers; General Agent George B. Greenslet, for the Glens Falls; C. H. Lacey, of Binghamton, for the Agricultural; President George Cram, American Central; S. K. Hatfield, American, of Newark; President J. T. Dargan, Atlanta-Birmingham; Secretary A. W. Haight, Calumet; Vice-President George E. Kline, Charles F. Hard, Greenville, S. C.; Harry A. Logue, Fred Weine, A. E. Wilkins, and D. W. Rudy, for the German, of Freeport.

Rates Advanced in the New York.

The following report submitted by the committee appointed to consider the question of rates was adopted by the New York Fire Insurance Exchange early this month on the recommendation of Vice-President Correa of the Home, President Driggs of the Williamsburg City and Manager Wray of the Commercial Union:

Resolved, That for the protection of policyholders and of the whole mercantile community and for the uplifting of reserves of the fire insurance companies that they may be prepared to meet future conflagrations, the following reductions in expenses and increases of rate shall take effect in the territory of the New York Fire Insurance Exchange from and after the passing of this resolution:

(1) That the rates of brokerage and commission payable under the rules of this exchange shall be 10 per cent on general business (except affidavit risks, which shall be 7½ per cent) and 20 per cent on preferred business, meaning by the latter such business as is permitted under the agreement to be written at branch offices.

(2) That the discounts granted by vote of December 28, 1903, be, and are, hereby rescinded.

(3) That all specifically rated risks, except sprinklered risks receiving an allowance of 25 per cent or more; risks marked "fireproof" (F. P.) on rate cards; risks of a class permissible to be written by branch offices; mercantile-schedule risks whose rate cards do not show the presence of excess manufacturing by the notation thereon of "Excess 1," "Excess 2," "Excess 3," etc.; boarding and livery and private business stables; breweries; churches; and theaters; located in the Borough of Manhattan between Chambers and New Chambers streets (including both sides of the street) on the north be, and are, hereby increased by the addition of 15 per cent to the published rates for buildings and contents; such increase to be computed at the counter.

(4) That all specifically rated risks, except sprinklered risks receiving an allowance of 25 per cent or more; risks marked "fireproof" (F. P.) on rate cards; risks of a class permissible to be written by branch offices; mercantile-schedule risks whose rate cards do not show the presence of excess manufacturing by the notation thereon of "Excess 1," "Excess 2," "Excess 3," etc.; boarding and livery and private business stables; breweries; churches; and theaters; located in the Borough of Manhattan south of Chambers and New Chambers streets and north of Fourteenth street or located in the Borough of the Bronx be, and are, hereby increased by the addition of 10 per cent to the published rates for buildings and contents; such insurance to be computed at the counter.

(5) That all specifically rated risks located in the New Jersey territory of this Exchange, except those which took an advance of 30 per cent or 50 per cent under the vote of May 10, 1905, sprinklered risks receiving an allowance of 25 per cent or more; and risks marked "fireproof" (F. P.) on rate cards; be, and are, hereby increased by the addition of 10 per cent to the published rates for buildings and contents; such increases to be computed at the counter.

(6) That the rates of all piers, except those in New Jersey, be, and are, hereby advanced by the addition of 25 per cent to the published rates of structures and contents; such increase to be computed at the counter.

(7) That the rates for all listed storage stores, whether in Brooklyn, Manhattan, Richmond Borough or New Jersey, be, and are, hereby advanced by the addition of 10 per cent to the final contents rate obtained by adding alphabetical list charge to the base rate shown on cards; such increase to be computed at the counter.

(8) That the rates for private warehouses be, and are, hereby advanced by the addition of 10 per cent to the published rates for building and contents.

(9) That the rates for floaters in Exchange territory be, and are, hereby advanced 25 per cent; such increases to be computed at the counter.

(10) That all general minimum rates named in hand book, except the following, viz.: academies, breweries, churches, colleges, convents, dwellings, floaters, household furniture, piers, seminaries, schoolhouses, stables, store-and-dwelling buildings, storage stores, and wharves, be, and are, hereby increased 10 per cent; such increase to be computed at the counter.

Value of Explosions in Fire Fighting

Notwithstanding the general belief that the preservation of that portion of San Francisco lying west of Van Ness avenue was effected by the judicious use of dynamite, there appears little evidence in support of this theory.

The Chronicle calls attention to this fact and says that ever since gunpowder was invented the plan of blowing up buildings in the path of the flames has been talked of, but never fully tested.

In the Boston fire of 1872, when 65 acres in the heart of the business section were burned, two hours after the fire started the chief issued permits to two gunpowder enthusiasts, General Burt and General Benham, to blow up every building in the block bounded by Franklin, Devonshire, Milk and Federal streets, but so much time was consumed in getting the gunpowder over from Charlestown that nothing was accomplished. When the first wagon load did arrive the driver fled in haste from his seat as the sparks began to fall on the blanket which had been thrown over the powder kegs.

On the first day of the fire here a like proposition was made to throw down the block between Montgomery and Sansome streets, and it failed for the same reason. There was not enough of the explosive in the town to wreck the Occidental Hotel.

What little was used that first day proved nothing more than the impossi-

bility of blowing down steel frame structures.

All day Thursday large plans for throwing down whole blocks from Market street to North Beach were proposed, only to be abandoned. At one time it was rumored that everything between Van Ness and Gough street was to be blown up all along the advance of the flames, and mounted messengers rode through the Western Addition, warning people to open their windows at top and bottom to save the glass, as the whole thing was to be set off at one blast. But it wasn't. Property owners objected, and no one seemed to know where the authority lay to order it. That afternoon the mayor announced that what was left east of Van Ness would be blown down in the evening, protest or no protest. And between midnight and four o'clock a good deal of dynamite was used and the fire stopped at Van Ness.

It was at that time, nearly forty-eight hours after the fire started, that the most effective work was done. Firemen lay in the doorways, exhausted, and the hose was manned by volunteer citizens. Captain Coleman and Lieutenant Briggs did the blasting. But it still remains a question whether it was the dynamite or the width of Van Ness avenue which finally stopped the flames. Perhaps it was both, but there was none of that blasting on a large scale that had been planned all day. Some of the buildings which were thrown down were already on fire, and never did the squad get a block away from the flames.

"The question still remains a debatable one," says General Funston, "whether it is easier to keep the fire from spreading over the ruins of a building demolished by dynamite than over the same building before it is blown down. It may be easier to wet down a ruin, as it is possible to wet it through and through, while a standing house can only be wet on the outside. But if there is water supply enough to do that, then there is little use for dynamite.

"In fact, the whole problem of the use of high explosives in stopping a big fire is as much a problem as it was a month ago. To blow out two blocks and back fire, using water to keep the flames in check, would be a fine thing if you knew just how far the fire was going to burn if you didn't blast at all. If we had known that the fire was going to burn to Van Ness it might have been done Wednesday morning, say, at Powell street. But if any one had proposed it at the time he would have been laughed at. If gun cotton had been brought over from Mare Island in sufficient quantity to do it and the flames had stopped when they came to the back fire, there would have still been the idea that it was unnecessary and that the fire would have stopped anyway."

After the Boston fire the gunpowder brigade claimed they had saved millions of property and those opposed to its use were as strong in their opinion that they had done just about that amount of damage. Thirty-four years afterward, here in San Francisco a somewhat similar opinion, or rather diversity of opinion, prevails.

Reservoirs in the Hills.

The proposition to create high reservoirs on lakes on the summits of Nob and Telegraph hills, these reservoirs to be held in reserve for the extinguishment of fires in case of breakages of the mains should be encouraged. Why not supplement the Twin Peak salt water reservoir by these two admirable localities thus not only providing an abundance of water for fire fighting purposes but securing a supply available at all times for street sprinkling and sewer flushing.

W. L. Hathaway.

Manager of the Mutual Life Insurance Company, established temporary headquarters at 1864 Pine street and set a large force of workmen to refitting the old quarters at the company's building at California and Sansome in order to be the first life insurance company to resume business at old stand. For the convenience of transbay residents an office was established also in the Union Savings building, Oakland.

Our Digest.

Owing to the failure of our postoffice to deliver second-class matter and our consequent inability to secure the law journals we have been forced to omit that important feature this month. Earthquakes and an exceptionally bad post office delivery service not preventing the reporting of insurance law decisions will be resumed with our June issue.

The name of fake insurance adjusters advertising their willingness to adjust fire insurance losses for policy holders "free of charge" since the fire is legion.

THE ARMSTRONG LIFE INSURANCE LEGISLATION IN NEW YORK—THE RESULTS WILL BE INJURIOUS, NOT BENEFICIAL TO POLICYHOLDERS

(William A. Fricke in the May number of Moody's Magazine)

There are two conclusions forced upon us by a careful reading and study of the testimony taken before the New York Legislative Investigating committee of the methods and practices of life insurance companies.

1. That the real evil in life insurance is the unaccountability of company managements as to all funds entrusted to their care.

2. That the effect of this evil engendered an extravagance that made life insurance the only business in the world in which competition increased the cost to the public.

A careful and impartial study of the pages of enactments presented by the committee forces two further conclusions:

1. That the enactments presented do not offer the remedy for the evil or a preventive as to its effect on the billions of insurance now outstanding.

2. That while presenting a number of meritorious enactments, which, however, can have no direct influence on the evil or its effect, the committee also recommends a number of changes making bad laws worse.

If these conclusions are correct, then the results must be of injury, and not of benefit to the policy holders, especially to those insured in New York companies.

Let us reason together! Life insurance is a very simple business proposition; so easily understood that its simplicity is the greatest safeguard against deception and fraud; the things that seem mysterious, that are not readily understood by the man of ordinary intelligence, form no part of real life insurance and properly have no place in a scheme the only claim of which is founded on the protection it affords either to the insured or his beneficiary.

Life insurance can be conducted only in one way: by the combining of a large number of individuals contributing to a general fund according to the hazard of each, and so insuring themselves. Such a combination is called a company, and to distinguish such groups or combinations from one another they are designated by some distinctive name; but by whatever name, whether organized with capital stock or one of mutual reciprocal relationship, the fact will always be that their successful conduct is possible only through the combining of many individuals, who by means of their contributions are insuring themselves.

However able an inquisitor, the learned counsel of the committee neither had nor laid any claim to an expert knowledge of life insurance; yet after a few short weeks of strenuous searching for truth and light, we are told he gave this clear and concise presentation of all there is to life insurance:

"We know that we must all die. While we cannot say when any of us will die, we can, nevertheless, tell with certainty that out of 100,000 a definite number will die in the first or second or third year, and so on. There is, therefore, an absolutely certain event in view, and we combine together to provide for the inevitable loss thereby entailed. We each pay a certain amount in premiums, to which, according to the law of averages, the benefits are proportioned. The sums thus collected have a certain earning power. It costs a certain amount to manage them. There is no more in insurance than this. When it is found that the actual expenses are less than the estimated expenses the difference is refunded. The dividends of insurance companies are nothing but returned overcharges."

Further amplified, there is nothing more uncertain than the duration of a single life, yet few things are more certain than the duration of a large number of lives. An excellent illustration of this will be found in the statement that it would be an impossibility to foretell the length of life of any one child born during the year of 1906, yet with absolute certainity we can assert that, with few exceptions, all the children born during the year 1906 will have passed away when the coming of the 2006 is tolled. It is in gathering, study and combination of mortality statistics and experience upon which mortality tables have been formulated, and upon such tables, according to the age of the individual seeking insurance, that every such combination or company to insure lives calculates its rates and reserves, assuming that the moneys contributed will earn a certain rate of interest; so that in the formation

of such a combination or company the insurance premium, according to the age of each individual, is calculated on the assumption that the full maximum deaths of the mortality table will be experienced. To this insurance premium is then added an amount for expense, which with a similar amount on all other such premiums, shall be sufficient under all conditions which may arise under conservative management to meet every legitimate expense and contingency; and to still further insure the sufficiency of the premium, a rate of interest is assumed, so low as to make it certain to be realized.

Then we have a premium calculated entirely on the side of safety; a premium which under all ordinary conditions of economy and conservatism should be larger than required. But life insurance demands an absolute certainty, and in a combination wherein each is insuring himself, if properly conducted and all interests safeguarded, we should at the end of each year find this result: the death losses incurred have been met, and if the mortality has been lower than the table there has resulted a saving; the expenses have been paid, and if by economy and good management these have been kept within the expense additions to the premiums there has been an additional saving; there has been set aside the reserve which the law requires to ensure that the annual premium charge shall not increase as the insured grows older, or payments discontinued, or guarantees realized at a fixed time; and the interest has been realized; if at a higher rate than that assumed there results a profit. It is these savings and profit, with accretions of values, which make up the surplus of a company and constitute, in accordance with the contribution, the overcharge of each policyholder, and if then returned to him the policyholder at the end of the year will be in exactly the same position as to the cost of his insurance as he would have been in the beginning of the year, had it then been possible to determine the exact amount of his contribution or cost for the year.

With this presentation, three simple questions, embodying all there is or ever will be in the proper functions of a life insurance company, will find ready and correct answer:

1. What is a life insurance company organized for?

To furnish life insurance.

2. What is the only purpose for which life insurance companies can receive money?

To furnish life insurance.

3. If then a policyholder has paid to the company more than was required to meet the cost of his insurance, what must the management of such company do when the amount of such overcharge has been ascertained?

Either return the amount of the overcharge or furnish more life insurance.

That is all there is to life insurance, and had companies confined themselves within these narrow walls of greatest usefulness there would never have been an evil or a legislative investigation.

So conducted the proper function of state supervision would have been the enforcement of the legal standard of solvency.

So conducted there would have been imposed upon managements the greatest tests of merit by the requirement of an annual apportionment and accounting to each policyholder, ensuring to each life insurance at actual cost.

So conducted a company aside from its current premiums, had no other funds than its reserves, which under the law were required to be compounded at a certain rate of interest.

And this was the condition prior to 1869, when companies conducted on the mutual plan were vying with each other in shortening the period of distribution and accounting to policyholders. There were then no extravagance, manipulation of investments, excessive commissions or riotous desire for bigness in these companies; there was rather an overanxiety—too often at the expense of fair and liberal policy provisions and sometimes safety—to make the returns to policyholders profitable as the cost reducer of insurance, in comparison with the nonparticipating contracts offered by the stock competitors.

Then was presented the deferred dividend contract. Not even its most bitter opponent will deny that it was the means of increasing the growth of companies, not alone because it held out the alluring bait of large profit but because it was used as a means to pay agents larger and larger commissions, and bonuses, to stimulate to greater effort in answering the demand of managements for more and yet more business.

The deferred dividend contract had just one weakness, bound to degenerate

into evil. Many recognize and admit this now, but to many managements for years this weakness constituted its chief strength; there was no apportionment or accounting required as to the surplus accumulations on these policies for many years to come. Held to the strictest accountability as to the funds required to be reserved and compounded at a fixed rate of interest, there was not a law or requirement in any state attempting to regulate the accumulation of surplus, which, notwithstanding the growing extravagance and high cost for new business, leaped in bounds to millions until it aggregated the 300,000,000 mark. It became an easy matter, by adding a few millions as an increase to surplus accumulations, to make a showing of great prosperity and astute management to the directors who did not direct, and the public and policyholders who did not know, and at the same time, by reason of this large surplus, hide large and extravagant expenditures.

The theory that the extravagances of the present would be made up by the savings of the future did not work out in practice when the days of reckoning came, and the scattered few, whose actual results did not realize anywhere near the alluring estimate, gradually became many and all dissatisfied, and yet the surplus of the companies kept right on growing larger and larger until the managements themselves, seemingly ashamed of the word "surplus," vied with each other to hide the needless accumulation and their unaccountability of stewardship by the adoption of new terms in its designation, and special reserve, unassigned funds, contingent guarantee fund and fund to provide dividends, became misleading favorites.

Annual apportionment and accounting to each policyholder would not have deprived the deferred dividend contract of a single advantage; on the contrary, it would have added to whatever advantages it might have over other forms or plans, and would have held managements not only to a strict accountability of the apportioned surplus carried as a liability, but the annual showing of results to all policyholders would have imposed on all managements the best test of merit and the greatest check on extravagance.

This unaccountability of these surplus accumulations was the one great evil in the business of life insurance; mismanagement and extravagances, by whatever distinctive names, were but excrescences growing up in its shadow. And the simple remedy which should have constituted the chief reform, was not recommended by the Legislative Investigating committee, so that on 80 per cent. of all the insurance now in force and on $250,000,000 and more of surplus, managements will, in the future, be held no more accountable than in the past—at least so far as the New York legislature is concerned. It would not be surprising if these policyholders received even less consideration in the future.

However, the enactments recommended by the committee prohibit the further issuance of deferred dividend contracts after January 1, 1907!

As the real evil never was the deferred dividend contract, but in permitting company managements to be wholly unaccountable for the surplus contributed by these contracts, it seems like straining for reform in protecting prospective insurants—born and unborn—after January 1,1907, against the deferred dividend contract itself, and nevertheless leave hundreds of actual present policyholders in worse position than they were, and company managements just as unaccountable to them as they were before the coming of this tidal wave of reform.

For with company managements then being wholly confined to the issuance of annual dividend contracts, the door closed, locked and barred to further entrants to the deferred dividend class, and with the accounting to those who are now in for a long period of years and to a time when those outliving that period will be to old to take more insurance, and their dissatisfaction at dividends way below estimates or even present unsatisfactory results can have no effect on insurants, since they can no longer obtain that kind of policy, what purpose then can managements have to make a good showing on these old deferred dividend contracts, with every incentive directed to make a good showing on annual dividend policies on which an accounting and return must be made, and on the result of which future insurants will judge the merit of the company.

Will not the accumulated and accumulating funds of present deferred dividend policyholders be exploited for the benefit of the annual dividend policyholders, and will not such discrimination, already charged against and admitted by one company now under investigation, be-

come general among companies having a large volume of deferred dividend business on their books? We shall then have a continuance of the same evil, with the victims more helpless than ever.

Yet a provision requiring an annual apportionment and accounting to each policyholder, even though such an apportionment on a deferred dividend policy would of necessity be contingent upon the insured living and paying his premiums, would hold managements to a strict accountability of every dollar of such apportioned surplus, and though only contingent as to the individual, it would become a distinct and definite liability as to this class of contracts and could be used only for the purpose for which accumulated.

Consider for a moment the effect annual apportionment and accounting to each policyholder would have as a factor for conservatism on investments.

The law of every state already requires the most stringent rules for the accumulation of the reserve, which must be compounded at a certain rate of interest as a standard for solvency.

Add to this a requirement for apportionment and accounting, and annually there would be mailed to each policyholder a statement something like this:

Policy No.....
Surplus accumulation contingently credited to policy as per last annual statement..... $.....
Interest credit: Net rate earned by company....per cent.....
Savings and profit additions for year

Contingent Surplus Credit..,19.. $.....

N. B.—But for the rate of taxation imposed in your state upon life insurance, which equals a tax of per cent on premiums, the amount of surplus credited to your policy would have been $..... greater. As this is a matter of pecuniary interest to you, will you not call the attention of your representative in the legislature to the injustice of such a tax imposition?

The surplus so apportioned becomes immediately a liability, just as is the reserve, and practically the company has and requires no other funds than its current premiums.

To fully safeguard all interests it is only necessary to define a basis for determining the visible surplus to be apportioned, and this can be done to greater benefit and advantage by a rule for asset values than by permitting the creation of a contingent reserve fund, for with a proper basis for the ascertainment of divisible surplus fluctuation in values would have been provided for and guarded against, without creating a special fund for which managements would again be unaccountable and which would be liable to offer only another opportunity for financial juggling.

Under such conditions the director will direct, by seeing to it that the funds of the company are invested in such a manner as to give the largest return consistent with safety.

Fifty-one insurance departments would see to it that the reserve law is complied with and absolute solvency is maintained to cover all liabilities of the company.

Managements would compete with each other to the end that the policyholders in their annual accounting may have a favorable statement of their stewardship which will bear favorable comparison with those of other companies, and the policyholder will know year by year just what is the cost of his insurance, and just in what measure the management of his company merits his confidence and support.

Such a requirement would be more far reaching in its beneficial results than any other half dozen recommendations of the committee. A proper law requiring annual apportionment and accounting would necessarily provide what constitutes divisible surplus, and such definition would place asset values, from which to deduct liabilities, on such a conservative basis as to make this law of itself the greatest safeguard on investments. Such a law would not be amended or appealed without the knowledge of every policyholder whereas, however stringent even if constitutional—the regulation recommended by the committee as to investment offers the policyholder little of permanent protection. The investment law of New York has now been amended twenty-five times; the law governing deposit of securities by home companies and those of other states have been amended twenty-five times, and the law as to the change of securities has been amended twelve times, while the law on restriction as to real property has been amended ten times.

Annual apportionment and accounting will give to each policyholder a statement which he can understand and by which the merit of the company and its management for ability, conservatism and

economy will be judged. The policyholder can appreciate such an annual statement; it means dollars and cents to him—a decrease in the cost of insurance, and once placed on the statute books he will never consent to such a law being repealed or weakened by amendment.

How many policy holders ever see the Insurance Department report, or would be able to analyze the intricacies of his company's statement according to the department form? Changing the requirements as to the reports to be made or the form for such returns, however well meant or drastic the recommendations of the committee, and while of benefit as an aid to publicity, they mean little or nothing of permanent value to the average policy holder. The law on Reports of Corporations has been amended twenty-five times; the law on "Forms of Reports to be furnished" has been amended eleven times, and every year since 1871 the National Convention of Insurance Commissioners has endeavored to make the annual statement blank more perfect; and the good work and intentions will no doubt continue.

These things have been done, are done and will continue to be tampered with, without the policyholder knowing or appreciating for a long time the effect on his individual interests; but once enacted into law the repeal or attempted repeal of annual apportionment and accounting would mean political annihilation for its legislative advocates and a change in the management countenancing such a proposition.

Instead, however, of compelling an annual apportionment and accounting to each policyholder on outstanding deferred dividend contracts, the committee's recommendation absolutely prohibit such contracts in the future, restrict a company conducted on the mutual plan to the issuance of annual dividend contracts after December 31, 1906, but provide that such companies may compete in offering a large interest rate payable for the privilege of retaining annual surplus accumulations thereon as a deposit for a period of not less than one year—the depositor being permitted to withdraw such deposit only on the anniversary of the policy; yet the laws of a number of states prohibit life insurance companies from doing any banking business.

Limitation or restriction as to the amount of new business is inadvisable and detrimental; far more now than ever is it necessary that the companies affected by large lapsations and surrenders should be permitted to fill up the gaps with healthy lives so that the effect of adverse selection may not manifest itself by a larger death rate in the future at an increasing cost to the present policyholder, and the only sensible limitation or restriction should be to permit companies to write only such a volume of new business as can be placed on the books at its own cost, without encroachment on the funds belonging to other policy holders.

And this can be done without makeshift or evasion, or engrafting upon the valuation laws any isms permitting the expenditure of a larger initial cost than the premiums, without anticipating future savings or profits, actually provide.

The solicitude for the agent, and the new company, would be more touching if the just rights of the agent could by any process of reasoning extend beyond the line where the rights of policyholders commence, and if the crying need of his country was more new life insurance companies, instead of improved methods in the conduct of those we already have.

There is no further protection of new life insurance companies necessary—as an infant industry—than to lay down, as a rule for limitation of size or new business, that the commission cost of new business shall be confined to the loading for expense, whatever be the percentage rate paid to the agent or however long the period over which the payment of such rate is distributed; each new policy would then pay its own cost and the old and the new company would be on the same basis in the competition for business as to the cost for new business. Such a plan would far outweigh any possible benefit to be derived from any problematical increase in the dividend from expense savings in the future by an experimental method employed to throw the whole commission cost, medical examinations and inspection of risks upon the first year's loading and assumed mortality gains for five years of insurance.

In the early history of life insurance in this country the commissions for procuring new insurances were within the loadings on first premiums; if this loading on present premiums is not a sufficient margin for the larger commission now required, then the payment of the commission should be distributed over a series of years while the insurance written is in force, in such a manner as to

always keep the expense for commissions within the loading of premiums actually received in cash by the company. But without any restrictions whatsoever as to the cost for new business, annual apportionment and accounting on all policies, added to the requirement provided for in the gain and loss exhibit comparing the expense with the loading on premiums for the first year of insurance, would have proven a sufficient limitation against excessive commissions and extravagant methods of obtaining new business in the future.

Now, left with the wide gaps in their membership by reason of the numerous surrenders and lapses—and of these there were few but healthy lives—who either first obtained insurance in other companies or felt their physical condition to be such that they were able to replace the insurance, while with the solvency of the companies unquestioned, but few, physically unable to pass another examination or liable to die within the next few years, surrendered or lapsed by reason of the revelations of the investigation, these companies find themselves not only with a limit fixed in the amount of new business they are permitted to write, a factor so necessary to their well being, but with such new and untried restrictions as to the cost of such new business as to make it impossible, with the regular and continued terminations, to hold their own, even if they should be able to write the amount permitted.

Restricted in their own State, these New York companies will be still further hampered in other States in meeting the competition of companies there and not transacting business in New York, therefore not limited as to cost or amount of new business; New York company agents in such other States will be expected to compete with higher commissions and unrestricted competition and freedom, with the result that the New York companies will be discriminated against, however eloquently they may be presented as white robed cherubs with brand new reform wings, while the noisy children romping in the street will be getting all the fun and lead the procession as the companies not investigated, or without a past, parade their halos.

It may be argued that any other restriction or limitation of first year cost in any one State would subject its own home companies to discrimination by agents in other States, and this would be true of any method except it be so regulated as to ensure to the agent a fair remuneration by continued service and supplemented with such a system of annual apportionment and accounting to policyholders that the merit of the company and plan of insurance would so readily and clearly be established, that the agent would meet with fewer difficulties by reason of the favorable showing in the interest of the insured.

A CHAPTER OF INDIVIDUAL EXPERIENCE

(Told by Frederick F. Taylor)

The following letter to Vice-President Haley Fiske from Assistant Secretary Frederick F. Taylor, so thrillingly recalls the sensations of the three days immediately following the big earthquake that we give it here in its entirety. So numerous and varied were the experiences of this eventful period that thousands of such pen sketches will be required to convey a comprehensive knowledge to those not actively observant upon the ground but what Mr. Taylor saw has been simply but vividly sketched by his pen. As one man's experience among hundreds of thousands we make place for it here:

"The following is, as near as I can get my memory to respond, a chronicle of events in this city since Wednesday morning, April 18th. On that date at 5:16 a. m. I was either thrown or mechanically jumped out of bed to find the floor heaving and the house rocking in a terrifying manner. Mrs. Taylor and the children, her sister, Miss Jones, who lives with us, and my sister, Mrs. Norton, who is visiting us from Chicago, rushed into my room, and we there formed a circle clinging to one another for a period of from one and one-half to three minutes. When the shaking stopped and as soon as I could calm the girls I rushed to the front of the house, and looking out on the Presidio saw vast clouds of what appeared to be smoke arising from all the buildings located therein. It was not necessary to be told that there had been a very disastrous earthquake, and I concluded that what I saw was the dust created by the shake. This afterward proved to be the case. We all partially

dressed and rushed to the street to find apparently everyone else also there. As I passed down through the house I found that the electric light had been switched on, the plaster off in a number of places, pictures off the walls, and the house generally wrecked. A heavy outside chimney had fallen within three feet of the head of my bed and crashed on the pavement below, but I had not heard it. An indescribable noise accompanied the shock, and apparently drowned all else within its sound. There was not a chimney left standing within sight of our house, and many of them had gone through the roofs. A large stone mansion within sight of my house, which had recently been completed and occupied, was rent asunder. As soon as we could collect our wits and courage I re-entered the house and fully dressed, started the servants getting breakfast, and then walked over to Sacramento street, in the nearest retail center to our home. There the situation was even worse than in our neighborhood, where practically all the houses are frame. Brick buildings were badly cracked, plate glass fronts on all the stores were smashed in, the car tracks were twisted, and the populace generally in the middle of the street in a state of great agitation. From an eminence looking down over the city I saw in various places small conflagrations such as the fire department might, under ordinary circumstances, be expected to control in a few minutes. I heard all sorts of wild rumors but credited none. It did not appear at that time that any great calamity had befallen us. I returned home and had breakfast, and started down town about 7:30. I found the street cars were not running. As I progressed the ruin became greater; large fine churches were almost completely destroyed; every building was more or less injured. At Van Ness avenue I found the large brick and stone apartment houses had been most severely damaged. I reached the City Hall and found it was completely demolished, but the steel framework was standing. The entire heavy stone and concrete front had fallen, and the dome was merely a skeleton of frame work. I reached the Callaghan building and found the doors locked. I could find none of our people except a couple of agents. By this time the fire south of Market street had eaten its way to the corner of Seventh and Mission streets, and it seemed sure that the fine new postoffice, just moved into, was doomed. It also appeared at this time that the Callaghan building could not be saved. I proceeded down Market street; reaching Fourth I was stopped by the military and found it necessary to go through Powell, and by a round-about course reach the vicinity of the Crocker-Woolworth Bank. The streets were by this time full of police and military. I managed, however, to reach the Wells Fargo building, arriving at about 9:15. A building on the opposite side of Second street had been demolished completely and seven lives lost. I climbed the stairs, finding the building badly cracked. The marble wainscoting had been thrown down on the stairs, and considerable rents appeared in the walls. Upon reaching our floor I found everything in indescribable confusion. Bookcases had been thrown flat, papers scattered about, the plastering off, and safes rolled from their positions. In the filing section the heavy cases containing the applications had been toppled over, as were the racks in the supply division. Upon my arrival I found only present Walter Baker, head of the Audit Division; Mr. Adamson, a bookkeeper; Miss Moore, my stenographer; Peter O'Reilly, of the head office account division; Martin Scully, of the supply division; Mr. Douglas, of the claim division, and the janitor. Looking from the windows in my room up Mission street, the fire had then reached the Rialto building, one and one-half blocks away and one block south of the Palace Hotel. Down Market street the tower of the Ferry building could not be seen. Fire was burning on both sides of Market street. It was also burning fiercely on Mission street about one-half way between us and the ferry. The danger did not appear to be imminent at this time. I counted a great deal on the solid construction of our building. Moreover, it was bounded on all sides by streets. It seemed to me that the construction, and this open space, ought to save it although everything burned around it. It seemed best, however, to take no chances, and to get out everything possible with the limited amount of help we had. I sent Mr. Douglas to the street to hire all the men he could get at any cost, and despatched Mr. Baker at the same time to hire a team. In a little while Mr. Douglas came back with seven men. It appeared to me that the most important records were our ledgers and original applications. Mr. Baker returned, having gotten a team. He and his bookkeeper

immediately set to work carrying down the audit division ledgers. O'Reilly packed up his head office account books. I emptied all my filing cases and my desk into waste paper baskets and got everything of immediate value out of my vault. I started the outside men we had secured carrying down boxes of applications. Douglas at the same time was packing up his records. We continued to work as hard as we could in carrying the stuff down for I do not know how long. The elevators were of course not running, and we were on the sixth floor. Finally we got the wagon heaped up and I went ahead and made arrangements with the officer in charge of the military for the return of the wagon and jumped on, leaving instructions for a continuance of the work of carrying the records down. The fire at this time had eaten through one-half block nearer to us, and was approaching from the direction of the ferry very fast. I drove as far as Jones street, left Scully on the wagon with instructions to take the load to the barn of the owner of the wagon near Market and Valencia streets, about three miles away, on their representation that by going to the barn they could get two more teams. It was my first thought that we should unload somewhere near, and afterward transfer it again if necessary; but it appeared certain that we could get two more teams, and if we could we would make a great deal more saving than we could with one team. I jumped off the wagon at Jones street and ran up the hill to find Mr. Quick. I found him at last at the door of his house, and got him to accompany me back to the building for the purpose of getting out his records. By the time I returned a great deal of stuff had been accumulated on the first floor. I continued to direct the work of carrying down the records, particularly devoting my attention to the original industrial applications. About this time Special Assistant B. H. Taylor, who was in town, appeared on the scene. Arthur Crankshaw also came in. The latter was the only person from the ordinary department I saw. He got out of the ordinary department what he could carry in his arms. With Special Assistant Taylor I took waste baskets and went through the policy division, prying open desks, and secured every application of the current week's issue I could find. I took also everything in the nature of current correspondence. All this time there were heavy explosions on all sides. The heat in my room had become so intense that the windows were cracked and the fire was within one-half block of us up Second street and was burning in the building diagonally opposite. It was coming from all sides except from Market street. At this time we were warned to leave the building. Quick had in the meantime opened his safe and gotten out what cash we had. He also got out some of his most important books, and locked his safe. I then made a hurried round of all the rooms to see that everyone was out, and warned everyone to go below. When we reached the bottom I loaded everyone with what he could carry and started for Market street. We got no ledgers on the wagon, so we all took all the ledgers we could carry and left. I led, heading for the Crocker-Woolworth Bank. When we reached there the bank was roped off, and the police would not allow us in. As I was about to turn away and go up Post street, Mr. Wellington Gregg, cashier of the bank, saw me and allowed us to deposit out loads in the bank. We then returned and got another load, and so until all the ledgers had been carried over. We were then stopped from reentering the lines passing down Second street, and had to turn back. About this time I saw our team returning, but turned back by the military; and although I hailed them I could not make them hear. I then went into the bank and paid off the men we had helping us, giving them $10 apiece, and started out around the block, and in Market street found the team. We brought them around to the bank and loaded on our ledgers, passing the books through the broken windows; placed the load in charge of Arthur Crankshaw with instructions not to leave it until the fire had stopped. I stayed around the bank for a while after this, watching the progress of the flames, which had then, on the north side of Market street, reached Sansome. It did not seem at this time that they would reach any further. I therefore started down Montgomery street with the intention of finding sufficient space in some of the buildings down there that we might have in mind in event of the Wells Fargo building being destroyed. But I had no success and every building was closed up tight; the military lines were being tightly drawn. I returned to the bank and sat down inside to watch the progress of the fire. At 3 o'clock, although the flames were heading up Market and Mission streets fast and had reached the opposite side of Mission

from the Wells Fargo building, I was hopeful that our building would be saved. At 3:30 we were ordered out of the Crocker-Woolworth Bank. At this time the flames had communicated with the Grand Hotel and the Palace was half gone. As there was nothing further I could do I headed for home but ran into Douglas, whom I accompanied to the roof of the Colonial Hotel, where I remained an hour. Reaching home I found my family, with all others in the neighborhood, camped in a vacant lot and terror stricken. Mrs. Quick and Miss Quick were there. Much against their inclination I induced them to sleep in the house that night. We made beds on the lower floor for all except myself. Thursday, April 19th.—We were all, of course, up at daylight, and the first thing to do was to go to the top of the hill and get a view of the fire. Flames were by this time shooting up over Nob Hill and extending over a compass embracing about 90 degrees of an arc. After a hasty breakfast I set out with Walter Quick, but parted from him at Van Ness avenue. I walked east over Nob Hill. The fire had eaten its way clear to Powell street just in the rear of the new Fairmount Hotel. The entire district between there and the ferry had been swept clear. The Hopkins Institute was on fire, but apparently controlled. Those in charge were impressing all bystanders to cut paintings out of the frames and carry them into the yard of the Flood mansion. The flames had eaten through the retail district, and were progressing westerly along Pine, Bush, Sutter and Post. All south of Maret street for a mile was ruin. I penetrated to the edge of the burnt district, and was then turned back by the military. I walked west along California, saw Quick's house in flames, and went down the hill to the Colonial Hotel, where I had an appointment with Douglas made the day before. The Colonial had been abandoned and was roped off, and spectators were being driven back another block. I then thought of our books and records and headed for that vicinity. To reach there I had to walk about a mile through the burned area. I found the barn open and abandoned. I made a careful search of it from top to bottom, but could find no trace of our load. The flames in this section had reached within one block of the barn on one side with the wind blowing in the direction of the barn and one block on the other side the authorities were dynamiting the buildings. I secured a chair from the office, went on the opposite side of the street and sat there for about one hour, until I was driven from the block by the dynamiters. I hoped that the men would return to save more of their effects and I would then find out where they had carried our load. When I was driven off I went to the top of a large hill at the head of Market street, and from there watched the progress of the flames for an hour longer, and then started home, reaching there about 4 o'clock, and found my family in a worse state of agitation than ever, and still camped in the vacant lot. I had the greatest difficulty in persuading the women that we ought not to abandon the house. I finally prevailed upon them to stay, although they surreptitiously packed up and carted down to the first floor everything they could. We spent that night much in the same manner as the preceding, except that the close proximity of the flames caused us to be on watch all night. Friday, April 20th—I started out at 7 a. m. with Special Assistant Taylor, with a view of somehow reaching Oakland to get off dispatches. I tried the day before to get through the lines to the ferry, but could not. We went down through the Presidio, and after dodging the police and military, who were impressing all able bodied men, finally secured passage to the foot of Market street on a launch. There we found we could get across to Oakland, but could not return. I therefore chartered a launch for $30 and just as I was about to push off for Oakland a man jumped in and presenting me with his card implored me to go out to the steamer Sonora, which was in the bay, and get his family. He was Captain Hansen, president of the Hansen Steamship Company. I consented to help him. When we got alongside the steamer we were impressed in the government service, but finally got to Oakland all right. Captain Hansen wished to pay me for the launch, but I would not take his money. I proceeded immediately to the Oakland office, where I found Mr. Wilton and several clerks, as well as most of the Oakland staff. At this time refugees were pouring into Oakland as fast as the ferry boats could take them. I dictated my dispatches, filed them, and returned to the foot of Market street in the launch, bringing back Superintendent Harwood, who had come into the Oakland office while I was there. Harwood's home was still standing, but he had abandoned it Wednesday and had located his

family in a slaughter house in South San Francisco. He had himself been impressed to drive a team during the two preceding nights, and he looked the part. We started up through the burned district and learned definitely upon reaching the Wells Fargo building that everything had been destroyed. The destruction had been completed about 5 o'clock Wednesday afternoon. The walls of the building were standing, and the floors appeared to be intact. We parted from Harwood at Fourth and Market streets, he starting out for South San Francisco to get his family and take them to Stockton, and I for home. During the early part of Friday evening it appeared certain that our part of the city was doomed to destruction. The flames were eating up Pacific avenue, Jones, Washington, Sacramento, and Clay, fiercely. We heard rumors that the fire had crossed Van Ness avenue, and that it had not crossed. I could not leave to ascertain definitely the situation, as my wife insisted that I stay. We live on Pacific avenue, facing the Presidio wall. I felt reasonably certain that if the flames were to reach us we could in an hour put almost everything over the Presidio wall, where it seemed to me it would be safe no matter how hot the fire was. We would also be safe, as there is a large open space in the Presidio. Saturday, April 21—At 2 o'clock in the morning, after all had gotten asleep but myself, I stationed Assistant Taylor, who had come during the evening, at the door, and started down Pacific avenue to definitely locate the flames. I felt sure from observing them during the evening before from the hill above our house that they had reached Fillmore street, but as I passed down off Pacific avenue I found that I was mistaken. I went clear to Van Ness, and discovered that the fire had been stopped there at Pacific avenue, although two blocks further south it had eaten across Van Ness, sweeping both sides of Van Ness and up to Franklin street. Heavy dynamiting was still in progress all around the fire lines. I stood on the west side of Van Ness and watched the most magnificent spectacle I ever saw in the burning of the section east of Van Ness. At that time the entire east side of Van Ness was in a mass of flames. They had also reached the handsome Spreckels mansion on the west side, and it was fiercely burning; but the wind had changed and was blowing from the west, and this was our salvation, for the fire did not reach beyond this point. The most inconceivable confusion and excitement reigned during all this time. The terror inspired by the earthquakes, which had continued at irregular intervals, drove the people from their houses, only to be met by fire. The streets, parks and public squares were packed. People were dragging trunks, and all sorts of vehicles were pressed into use. Women and children were sleeping in doorways and along fences without shelter. Wednesday, Thursday and Friday nights there was a continuous stream of people and vehicles passing into the Presidio. I started out early with Special Assistant Taylor in a livery rig, which I fortunately was able to secure, for the sole purpose of obtaining an office location. I first drove to Van Ness and Pacific avenues with a view of securing location in one of the unburned mansions on the west side of Van Ness. There were only five houses left. I found the Hobart mansion on the corner of Van Ness, which had been unoccupied by the family for two years and was in charge of a caretaker. I could not find the caretaker and the house was locked. One of the chimneys had gone through the roof, the windows were all broken in by dynamiting, and it was badly blistered, but saved. Failing to secure from the neighbors any information except that Mr. Hobart lived at San Mateo, I immediately swung up Broadway looking for Will Magee to secure a letter of introduction to Hobart. I met Magee coming down in an automobile, and learned from him that McCutchen was the president of the Hobart estate. I secured his address, and found him ten minutes later on the street. He said he could do nothing as yet inasmuch as the building had not yet been examined by his architect as to its safety. He promised me first option on the house and I parted from him with the understanding that I was to see him Monday. I then headed directly for the building in which we are now located. I had for more than a year had this building in mind as a location for a district office. I found that it was owned by the Pioneer Investment company, who were operating a bowling alley and billiard parlor on the second floor, and that this space could be rented. In thirty minutes after arriving I made a written offer to the secretary of $1,000 per month for a two years' lease. He promised to get his directors together and let me know in a few days. This building covers a space of 135 feet on Golden Gate avenue by 125 on Octavia

street, facing Jefferson Square. It is the largest building suitable for commercial purposes left in the city. The lower floor is occupied as a garage. As I stated the second floor has been used by the investment company as a billiard hall and bowling alley. The third floor has been occupied mainly by a business college. The building is a frame, plastered outside, and presents a handsome appearance. It is evidently well constructed. The whole building covers an area of 18,000 square feet. Of this about 15,000 square feet is open on the floor we secured. The balance of the space is cut up into rooms which were used as a cafe, kitchen, banquet room, toilet, etc. The city courts have taken the entire top floor, and the third floor is, I understand, to be let out as lawyers' offices. The district attorney is also to be located on the third floor. I find that in my second dispatch I told you we hung out our sign Friday noon. This was an error. It was Saturday noon, for immediately after making the written offer to the Pioneer people I secured the consent of the secretary to move in, got together a number of our assistants and agents who were camped in the square, and with their assistance took possession. I dispatched one for a sign painter and at noon our temporary sign was out. Before the painter had finished nailing it up our policy holders from the square began flocking up. None of them had any particular business to transact, but they all seemed happy to know that we were located. I left the floor in charge of Assistant Little and went home, found Quick, drew up a draft on a letter head, and despatched him to Oakland to send two men to Los Angeles on the night train for $5,000 in cash. The men selected were McConiga of the ordinary department and Inspector Warren. Saturday night we had eighteen people at our house, including Superintendents Harwood and Schaffter, and Galt, who had returned from Los Angeles. On this date the fire burned itself out. Sunday, April 22—This day was occupied in conference with Superintendents Harwood and Schaffter, Galt and Quick as to ways and means of getting our forces together, and starting the rehabilitation of business. This day advertisements appeared in the San Francisco Call, Chronicle, Examiner, Bulletin and the Oakland Tribune, announcing our establishment at 925 Golden Gate avenue. We sent out messengers to notify every employe who could be found to report at the office on Monday morning.

MISCELLANEOUS NOTES

Every plate glass insurance policy seems to have a clause exempting the company from liability under conditions similar to those that exist in San Francisco. A typical clause: "This company is not liable for loss or damage to glass caused by earthquake or inundation or by the blowing up of buildings." Some of the companies carry the exemption further, barring liability for damage to glass by invasion, war, riot, blasting operations or "in any way by explosives." Damage or destruction of glass by fire, of course, is not covered by plate glass insurance contracts. In view of the contracts, it would not seem that plate glass underwriters can be held, for the losses in San Francisco were caused either by earthquake or fire.—Insurance Press.

The Commonwealth Casualty of Philadelphia will begin business with $100,000 capital. It will take over the business of the American Relief Society.

One of its policyholders having died without leaving heirs, the Travelers' Insurance Company was compelled by court decision to pay the amount of his contract to the State of North Dakota.

At the regular meeting of the directors of the United States Fidelity and Guaranty Company of Boston the administration ticket was unanimously elected, thus continuing President Bland at the head of the company very much to its advantage.

The $2,000,0000 bond required of Receiver Smith was furnished by the United States Fidelity and Guaranty Company.

The Prudential Insurance Company granted thirty days additional time to all its policy holders in the territory affected by the disaster whose premiums were due or whose grace period expired between April 18th and May 31st, 1906, inclusive. The Mutual Life and most of the other life insurance companies took similar action.

George E. Ide, president of the Home Life, succeeds the late John A. McCall on the insurance committee of the New York Chamber of Commerce.

Six new trustees were elected to fill vacancies at the meeting of the Mutual Life Insurance Company held May 6th. They are Nathaniel Thayer, of Boston; Hugo Baring, of the banking firm of Baring, Magoun & Co.; Louis Stern, of Stern Brothers; George P. Miller, lawyer, of Milwaukee; George S. Brown,

partner in the real estate business of Douglas Robinson, brother-in-law of President Roosevelt, and Leroy Springs, cotton manufacturer of Lancaster, S. C.

The Delaware, Edwd. Brown & Sons, wishes it announced that all losses will be immediately paid in full and that should every policy at risk in the entire city of San Francisco come in as a total loss, the company would still have more than one million dollars with which to meet other obligations.

The Traders' Insurance Company of Chicago was the first of the companies represented by Gordon & Frazer to fail.

The Pennsylvania Fire has for eighty years held an enviable position in the financial world. It has always promptly meet every legitimate obligation against it and its past record will not be broken in the case of the San Francisco conflagration.—R. W. Osborn.

Ten shares of the Hartford Fire Insurance Company were auctioned at Boston last month at 545 and 555, although the present shareholders of the company have the right to subscribe to new stock at 500.

At the annual meeting of the London & Lancashire Fire Insurance Company here today the chairman announced that the catastrophe at San Francisco had swept away half the reserve fund, which a week ago stood at $10,788,675. A resolution was adopted increasing its capital to $15,000,000 by the creation of 20,000 new shares of $125 each.

The splendid old Hartford Fire not only makes good, but adds $750,000 to its capital and a round $3,000,000 to its net surplus.

At the date of the fire President Chubb of the Reliance was on the Coast for the purpose of establishing a Pacific Coast department.

The Svea will pay all losses through Brown Brothers, New York, and not disturb its United States assets.

The Commerce of Albany had filed its statement with Commissioner Wolf just previous to the fire, preparatory to entering California, but had not yet been licensed.

Both the Rochester German and the Niagara Fire will add a round million dollars to capital and surplus.

The Vindicator very pertinently remarks that this city's disaster has so concentrated public attention that aggregate losses of millions of dollars elsewhere in California have been lost sight of.

That was a brave message of the Atlas of London to its United States manager, "Please subscribe on our behalf $5,000 to California relief fund; convey to our agents our sympathy with them as American citizens in California disaster. Atlas will meet all obligations promptly and honorably by drafts on London."

In settlement of California losses the United States assets of the Liverpool & London & Globe, the Sun of London, the Norwich Union, Aachen & Munich, Royal, Queen, Atlas, Royal Exchange, London Assurance and Scottish Union & National will not be disturbed, all payments being made from funds supplied by the European offices.

The new issue of stock for the Hartford consists of 7,500 shares of the par value of $100 each, subscribed for at $500. Only a company standing high in the estimation of the people could have achieved so remarkable a financial transaction with so little trouble.

The Phenix Insurance Company of Brooklyn has decided to increase its capital from $1,000,000, the present figure, to $1,500,000. The additional $500,000 will be subscribed at 300. This transaction will, therefore, add $1,500,000 to the assets of the Phenix, of which $1,000,000 goes to the net surplus. Each stockholder of record is entitled to subscribe for one of the new shares for every two old ones he holds.

The chairman of the North British and Mercantile Insurance Company expresses himself in favor of a stronger earthquake clause for policies.

Large plate glass windows in Class A buildings were the vulnerable points in such structures, and it is suggested that iron curtains or shutters might have saved millions' worth of valuable property, beside arresting the spread of flames.

It is noticeable that where good mortar and cement were given the preference over sand and mud in the construction of brick buildings, the walls were noticeably intact after the fire.

Samuel Appleton, United States manager of the Employers' Liability, has gone to Europe for a three months' sojourn.

Although Clause No. 4 in the standard form of plate glass insurance policies exempts the insurance company from loss resulting among other causes from earthquake or fire, the plate glass com-

panies will lose quite heavily from other causes.

Steam boiler, employers' liability and surety companies are making payment of return premiums to parties whose business was permanently or temporarily destroyed by the recent calamity.

Franklin J. Moore has been appointed successor to Muir & Haughton, of Philadelphia, as United States manager of the General Accident Assurance Corporation of Perth, Scotland, and as executive and manager of the General Accident Insurance Company of Philadelphia, a subsidiary corporation.

COAST NOTES

James D. Bailey and the North America are at 1915 Franklin street, this city, for the adjustment of losses and city business.

Manager Rolla V. Watt has established the city office of the Royal and Queen at Pine and Fillmore streets. Losses are also adjusted there.

The Aetna advertises "all losses paid in cash without discount immediately upon adjustment."

Edward B. Halden is doing good work in assisting companies and clients in getting claims in shape. For this purpose he has a capable corps of adjusters and has already in progress adjustments of the California Wine Association, San Francisco Breweries, California Fruit Canneries Association and others comprising several millions of value. He is also looking out carefully for the insurance interests of his clients on property not destroyed and altogether keeping his hand in during these times of stress.

Manager C. J. Stovel has placed R. H. Garrigue in charge of the Pierce agency at Salt Lake City and Mr. Pierce has gone to work for the Stovel agency as special.

F. H. Porter suggests that buildings intended to be used for mercantile purposes be limited to a height of seven stories for the reason that where buildings contain much of material readily burning and creating intense heat, firemen find it difficult to combat a fire.

Since our advertising forms went to press Cal. Godwin has moved the general coast agency of the Preferred Accident into the Union Savings building, Oakland.

The city office of the Phenix Insurance Company, of Brooklyn, Boole, Sloan & Co., is at 2707 Larkin street, San Francisco.

The Atlas lost its fine newly appointed office building at 416-418 Sacramento street, where Manager Frank J. Devlin and Assistant Manager T. H. Palache had settled themselves down for life. A new and handsome building will be erected on the old site without delay.

Arthur G. Nason & Co. are in the Delger building, Oakland. San Francisco office 2872 Washington street.

Thos. J. Conroy has taken the coast office of the Caledonian, Rochester German and Scotch Underwriters out to 2104 Bush street, until the old corner shall be built up.

The London and Lancashire has found a temporary roost at 1827 California street with a branch at 554 Fourteenth street, Oakland.

Early in the month Wm. J. Landers, for London Assurance and Niagara Fire announced that notice of loss would be waived by his companies and production of policies, if burned, deemed unnecessary.

A unique meeting was that held by the directors of the Pacific Mutual Life Insurance Company on the ruins of the old building at Montgomery and Sacramento streets. Practically all the home office business of the company will be transacted for some time to come at the company's fine new office building in Los Angeles, formerly headquarters for the Conservative Life, recently merged with the Pacific Mutual. The new San Francisco building will cover nearly half a block of land, including and adjoining that occupied by the old.

Speaking of the rebuilding of San Francisco, Architect Galen Howard, noted as supervising architect of the new buildings of the University of California, says "There is no opposition of interests between the theoretical and practical in the work before us. The convenient and the useful are the immediate ends to keep in view. Incidentally these will result in the beautiful. And, instead of a vast costliness, an actual saving in expense must characterize the most desirable plan. Ornamentation as such must wait on the practical. Accessibility is one of the most vital practical needs. Some of the north and south streets in the business district should be extended through the district south of Market and there should be easy gradients approaching high hills.

The splendid building of the Mutual Life Insurance Company, of New York, stood both fire and quake remarkably well and can be made fit for occupancy with little expense. It is altogether likely that the property abutting on Sansome and California and owned by the company will be improved, making one grand structure of which both the policyholders and the city may be proud.

Although all policies require immediate notice or notice within thirty days to be given in case of loss, it is noteworthy that not one policy holder in five hundred paid the slightest attention to this clause, the fulfillment of which is a vital condition of the contract, but allowed the time to drift by in trusting confidence that the companies would settle up any way. Under the circumstances resulting from the disaster it is not known that any company would take advantage of this clause but this does not explain the neglect upon the part of the policy holder.

Any one who has lost the New England Mutual Life can find M and Manager Field at 717 Paru street, Alameda.

Bob Mitchell, formerly a singer at the Tivoli and at present agent of the New York Life Insurance Company, after escaping the earthquake and fire, was seriously injured in an automobile accident last month.

Edward E. Potter, general agent for a number of non-board companies, has established headquarters at 1917 Sacramento street.

Edward B. Halden, formerly in the Kohl building, has moved across the bay to 270 Eleventh street. D. A. Spencer is with him advertising himself as "Chief Adjuster." Mr. Halden saved all his records.

V. Carus Driffield has the city agency of the Transatlantic and Federal insurance companies at 1917 Vallejo street. The general office has been moved to Harmonie Hall, Oakland.

President Henry Carstens, of the Washington Fire Insurance Company addresses us as follows: We beg to advise the insurance press that owing to our very light amount of business in San Francisco, we shall not be seriously affected by this terrible disaster. If we can be of any service to the insurance fraternity in any possible way, please understand our willingness.

On May 10th, Miss Caroline Louise Haven, daughter of Chas. D. Haven, resident secretary of the Liverpool and London and Globe Insurance Company, was united in marriage to Chas. D. Stevens, a New York merchant. The ceremony took place at San Jose, Rev. J. Welmer Gresham officiating.

At the request of the underwriters, F. H. Porter was made a member of the committee of forty and also of the subcommittees on insurance, building laws and the widening of streets.

H. T. Lamey, Pacific Coast representative of the Western and British America, is among San Francisco's distinguished visitors.

On the day preceding the earthquake, Robt. Dickson was in town looking over the field with a view to entering the Armenia and Southern. He escaped without accident and lost little time in returning East. Application will shortly be made, however, for admission of the two companies.

The Committee of Twenty has reported on the fire protection conditions of Seattle, and they are severely criticised. The conflagration hazard, owing to the lack of staying quantities in the fire department, the situation of the congested district on steep slopes and the overhanging exposure resulting from this situation, is said to be particularly dangerous.

Wm. H. Betts, the new secretary of the Continental Casualty Company, was scheduled to leave for the home office in Chicago on the morning of the fateful 18th, but delayed his departure until May 12th in order to arrange temporary office facilities. He will return in October or November for a visit.

On the twelfth floor of the Mutual Savings Bank building a young lady had her office. After the fire the door of this room was opened and everything discovered to be as fresh and clean as when she had locked her door on the evening of April 17th. Not an inhabitated room within a radius of ten blocks with this single exception that was not dust and ashes.

In Cyprus Lawn Cemetery more than $50,000 will be required to repair damages to the residences of the aristocratic dead. Eternity Cemetery will require about $30,000 to put it in shape and Holy Cross Cemetery was injured to the extent of about the same amount.

The Fire Association will pay dynamite losses under protest, taking subrogation in each case.

The eight-story Marston building, at Kearny street, was repaired at an expense of less than $8,000, the steel work being reinforced by concrete.

Carl Henry, of the Michigan Fire and Marine, had a full set of new Sanborn San Francisco maps on the Friday following the fire all up to date, giving the St. Paul a complete record of its city business.

Captain Sewall, of the War Department, is here in behalf of the government to investigate the effect of fire and earthquake on the buildings of this city.

E. Myron Wolf, present incumbent, was last month appointed insurance commissioner of California for a term of four years.

A quarter century record of 22 per cent loss ratio lowered rates, but it also reduced the amounts carried, since co-insurance was not compulsory and the citizens did not believe in the law of averages.—Field.

The Royal Insurance Company will erect a handsome new office building on its splendid property cornering on Sansome and Pine streets. Work, says Manager Rolla V. Watt, will begin immediately.

The property owned by the Liverpool and London and Globe, extending on Leidesdorf through to California and Merchant streets upon which the company's fine building stood previous to the fire, will be at once improved. Big loser though it was, the Liverpool and London and Globe donated $10,000 to the relief of San Francisco sufferers.

Of the people who lost their lives by earthquake or fire last month, many of whom must have carried life and accident insurance, a large per cent were so nearly consumed by the flames that their identification became impossible. Where it was at all possible to establish identity of the remains, however, the life and accident insurance companies have settled claims speedily and in full.

The Massachusetts companies carried more than fifty per cent of the insurance losses incurred through the Boston fire of November, 1872, which exceeded $45,000,000 out of a total loss of property worth $75,000,000.

R. Emory Warfield, of Philadelphia, succeeds Charles A. Shaw, resigned, as president of the Hanover Fire.

Peril of the Friction Match.

The friction parlor match looks harmless enough, yet statistics show it claims each year a harvest of human lives and millions in property. It drops on the floor to ignite under a woman's shoe—her dress is instantly ablaze—then hours of agony and death. Children play with it and set themselves or the house afire. Rats or mice gnaw it and stores and factories vanish in smoke. Heads fly off blazing to lodge in curtains or cotton fabrics. Is it not criminal carlessness to permit their use, when the equally cheap safety match is always obtainable—the kind that light only on the box? The sale and use of ordinary friction matches should be made a misdemeanor, but meanwhile caution your customers and friends to use the safety match. Is it not worth a little effort to save human lives, to say nothing of valuable property?. You can educate your customers, and perhaps save your agency a loss, by bringing this danger to their attention.

With the safety match in general use, and the dangerous match outlawed by an extra charge and a general recognition of its dangers, if not by the enactment of proscriptive legislation, a multitude of small losses and some very large ones would be annually avoided. All that is necessary to bring this about is agitation and educational work—first among underwriters, who are equal offenders with the general public—then through the rating associations and great army of insurance agents, reaching every home, store and factory in the country.

We have all seen a box of parlor matches fall on the floor and burst into flame. President Dargan, of Atlanta, believes their presence is responsible for the many losses occurring in wholesale grocery establishments, where they are handled in quantities. I think he is probably right, but the wholesale grocery losses are only a portion of the yearly ruin wrought by the dangerous parlor match.

If the man who makes two blades of grass grow where one grew before is a benefactor to humanity, what about the men who are reducing the national fire waste? Underwriters recognize, if the general public does not, that the payment of insurance in no manner restores the vanished wealth. The loss by fire is final and absolute, it is never made good, and as nearly all losses are caused by ignorance or carelessness, or are other-

wise preventable, we are in duty bound to single out the various causes of fire, and one by one have them eliminated. The business of fire insurance will continue even if losses are reduced to one-half or one-quarter of their present proportions—and by substituting the safety match for the dangerous friction match I am satisfied a few million dollars can be saved annually to the American people.—Vice-President Amonson.

Surety Company Seeking Site for Permanent Office Building.

Messrs. Borland & Johns, Managers of THE UNITED STATES FIDELITY AND GUARANTY COMPANY, have received the following wire from Mr. John R. Bland, the President of the Company:

"The Home Office of THE UNITED STATES FIDELITY AND GUARANTY COMPANY, which passed through Baltimore fire, admires spirit shown for a new and greater San Francisco. Advise if you can secure desirable site in business section for erection of permanent office building for this Company."

This evidence of faith on the part of the people of Baltimore in the future of San Francisco is particularly gratifying in view of that city having experienced a similar disaster two years ago.

The progressive spirit evidenced by the Surety Company is to be commended, and is in keeping with its policy which has made it a leader in its line.

For the convenience of its patrons, the Company is now conducting temporary offices at 180 Townsend St. and 2441 Jackson St., San Francisco, and 808 Broadway, Oakland.

The Travelers' Indemnity Company has been organized by the stockholders of the Travelers' Insurance Company under a charter secured from the Connecticut Legislature in 1903. The present casualty and liability business of the Travelers' will be taken over by the new company.

How it Worked at Cactus Center.

Hades popped in Cactus Center, when, just like a catapult,
The life insurance question hit us on the 19th ult.;
It began when Gila Hawkins said insurance men was thieves—
Said the hull caboodle of 'em would stuff aces up their sleeves.

He was took up by Slim Johnson, who's been writin' risks in town,
An' before he cleared the barroom there was three men lyin' down;
Slim went shootin' to his office, an' he got four on the way,
While Old Gila, trailin' after, winged a few with shots astray.

So we hurried to the office, an' we punctured Slim's tough hide,
An' laid him and Gila Hawkins, with their wounds dressed, side by side,
An' old Hawkins got to laughin', lyin' stretched out on the bed,
But at last he checked his snickers, an' before his last breath said:

"I apologize, most humole, Slim, as fur as you're concerned,
But I jest can't help a-laughin' at the trick that you have turned;
Fer you've dealt your graftin' bosses quite a hard financial blow—
The joke is on you, Johnson—I'm insured with you, you know."

—Denver Republican.

AGENCY POSITIONS

In two good Western States are open for up-to-date managers and personal writers. For particulars send age, occupation, reference and address to the

FIDELITY MUTUAL LIFE Insurance Company

PHILADELPHIA

L. G. FOUSE, President
ALEX. McKNIGHT, Vice-President

SURETY BONDS BURGLARY INSURANCE

THE
United States Fidelity and Guarantee Company

Cash Resources over $3,500,000

LOST RECEIPTS, BANK BOOKS, CHECKS, DRAFTS, CERTIFICATES AND ALL NEGOTIABLE PAPERS REPLACED BY OUR BONDS

BORLAND & JOHNS
Managers

180 Townsend Street—Tel. West 2435
2441 Jackson Street—Tel. West 737
SAN FRANCISCO, CAL.

808 Broadway—Tel. Oakland 6666
OAKLAND, CAL.

EDWARD B. HALDAN

Insurance Broker

FIRE MARINE CASUALTY

482 California Street - - San Francisco
TELEPHONE WEST 3315

Oakland Branch - - - 270 11th Street
TELEPHONE OAKLAND 7327

ADJUSTERS:
D. A. SPENCER
F. J. JOLLY
E. B. DE GOLIA

APPRAISERS:
WARREN S. WHITE
FRANK C. BIRCH
E. R. SMITH of Fresno

Your Insurance Business Solicited

DUNCAN & REHFISCH

Temporary Offices
Suite 4, No. 1116 Washington Street, Oakland

General Agents for

GERMAN FIRE INSURANCE CO.
OF PEORIA, ILL.

AND THE

FEDERAL UNION SURETY CO.

Issue Fire Insurance and Surety Bonds of all Classes

The Liverpool and London and Globe Insurance Company

Advises its insured that all its legal claims arising from the recent great conflagration in San Francisco will be adjusted and paid as usual, and as rapidly as proper proofs can be made, without calling on its United States assets.

Claims can be filed at 2027 Sutter street, near Fillmore, which is the temporary office of the company for the adjustments of San Francisco losses, renewals of city policies and acceptance of new city business.

The office for Pacific Coast business, outside of San Francisco, will be at 406 Eighth Street, Oakland, Cal., until further notice

C. MASON KINNE
Assistant Secretary

CHARLES D. HAVEN
Resident Secretary

ADJUSTING DEPARTMENT OF THE

FIREMAN'S FUND INSURANCE CO.

WILL BE AT

1271 Turk Street,
San Francisco, from May 7, 1906.

WM. SEXTON, General Adjuster
Fireman's Fund Ins. Co.

City Department of Fireman's Fund Ins. Co. will also be at above number.

CHARLES C. NICHOLS, Manager

ADJUSTING DEPARTMENT OF THE

Home Fire and Marine Insurance Co.

WILL BE AT

1271 TURK STREET

San Francisco, From May 10, 1906.

STEPHEN D. IVES, Vice-President

The Columbian National Life Insurance Co.

Incorporated under the Laws of Massachusetts

Percy Parker - - - - President
Franklin W. Ganse, Vice-Pres. and Director of Agencies
Francis P. Sears - Vice-Pres. and Comptroller
William H. Brown - Secretary and Treasurer
C. V. Fornes, New York - } Vice-Presidents
Geo. H. Holt, Chicago - - } Vice-Presidents
John D. Davis, St. Louis - } Vice-Presidents
R. M. Hotaling, San Francisco - } Vice-Presidents

PACIFIC COAST DEPARTMENT

WALKER and MacCOLL, Managers

524-536 James Flood Building San Francisco, California

FRANC NIXON COFFIN, Manager

Los Angeles Office, 605-6 H. W. Hellman Building

Metropolitan Life Insurance Company

Mr. F. F. Taylor.
Assistant Secretary,
San Francisco, Cal.

New York, May 10, 1906.

Dear Mr. Taylor—

My hat is off and I am saluting with admiration our noble men and women of San Francisco, who, through earthquake and conflagration, hunger and thirst-dangers and perils, have honored the Company by their splendid heroism, their indomitable pluck, their endless resources, their inspiring example of loyalty and devotion.

God bless every mother's son and daughter of them'

We have read your thrilling accounts of the various happenings since that fateful April 18th, and it makes us here in the East feel lie dwarfs before giants.

The Home Office contingent have had you on their minds and hearts every hour since the news first flashed over the wires, and if there is a thing to meet your needs that the ever alert Vice-President and his boys (catching his spirit) have not thought of, I know not what it is.

And so I send you—what you know you have—the assurance of our gratitude for the noble work you have done and our admiration at the splendid spirit that impelled it.

We are prouder of the Metropolitan today than ever before in our lives. Its assets—not material but moral—never before reached their present high-water mark, and if a dispiriting wave ever touches us, we will dissipate it by the memory, the example and the inspiration of the brave boys and girls at the Golden Gate

Yours and theirs,

John R. Hegeman, President.

PACIFIC COAST HEAD OFFICE

Jefferson Square Building 925 Golden Gate Avenue

—THE—

HARTFORD

Fire Insurance Company

Organized 1794

Assets $15,632,483.34

Surplus to Policyholders 4,026,248.67

PALACHE & HEWITT, General Agents

Until further notice, Office for adjustment of Losses and for City business, **2019 Broderick Street,** between Sacramento and Clay Sts., San Francisco.

Temporary office for Pacific Coast business other than San Francisco, First National Bank Building, Berkeley

A. GILLILAND, Manager City Department

Special Agents and Adjusters

P. H. Griffith J. J. Dennis John M. Holmes W. O. Morgan
W. W. Grove C. E. Miller Geo. E. Devine

"The Leading Fire Insurance Company of America"

ÆTNA Insurance Co.

HARTFORD, CONN.

Incorporated 1819

Cash Capital $4,000,000.00

Cash Assets January 1, 1906 16,815,296.87

NET SURPLUS $ 7,036,010.93
Surplus as to Policyholders 11,036,010.93

Losses Paid Since Organization (87 Years) ...$102,847,801.66

BOARDMAN & SPENCER, General Agents

Louis Mel
W. L. Gazzam } Special Agents and Adjusters
J. A. Murphy

E. C. Morrison, Supervisor of Agencies

Office for adjustment of Losses and for City business, **2388 Pine St.,** near Fillmore, San Francisco; also at 458 Ninth Street, Oakland.

Temporary office for Pacific Coast business other than San Francisco, **458 Ninth Street,** Oakland.

J. L. M. Shetterley, President
A. E. Nash, Treasurer

A. L. Reed, Secretary
D. T. McNaughtan, Supt. of Agents

THE

FIDELITY

Mutual Aid Association

San Francisco

Life Policy, $5.00; payable but once **Dues, $1.50 per Month**

PAYS

Class	Accident	Sickness	Death
D	$40 per Month	$40 per Month	$100.00
E	$30 per Month	$40 per month	$100.00

Permanent Total Disability

$1000

Has been approved and licensed by the Insurance Departments of the following named States:

State of Missouri
State of Michigan
State of Indiana
State of Minnesota
State of Colorado
State of Nevada
State of Pennsylvania
Territory of Arizona
State of North Dakota
State of South Dakota
State of California
State of Washginton
State of Wisconsin
State of Utah
Dist. of Columbia

Home Office: 303 California Street, San Francisco, Cal.
Temporary Headquarters: Oakland, Cal.

Mutual Reserve Life Insurance Company

OF NEW YORK.

FREDERICK A. BURNHAM
President.

GEORGE D. ELDRIDGE,
Vice-Pres. and Actuary.

Mutual Reserve Building, 305-307-309 Broadway
New York

New Paid-for Business Written in 1905	$14,426,325.00
Increase in Surplus, 1905	33,204.29
Interest and Rents (after providing for all Investment Expenses and Taxes) 4.15 per Cent on Average Ledger Assets.	
Decrease in Expenses over 1904	84,300.00
Payments to Policy Holders and Beneficiaries, 1905	3,388,707.00
Total Payments to Policy Holders and Beneficiaries since organization	64,400.000.00

The exhibit of first year's expenses submitted by the company to the Legislative Investigating Committee shows the lowest ratio of expense to expense margin of all companies doing a general business.

Capable Men, with or without experience, can secure the very best Agency Contracts. Address Agency Department. Industrial Agents, Address Provident Department, Mutual Reserve Building, 305-307-309 Broadway, New York.

Royal Exchange Assurance

OF LONDON, ENGLAND.

Incorporated A. D. 1720.

Fire and Accident Insurance

Cash Capital	$ 3,446,099.45
Surplus to Policy Holders	8,906,090.33
Total Assets	25,211,566.50

LOSSES PAID EXCEED $210,000,000.

Austrian Phoenix

INSURANCE COMPANY

OF VIENNA.

Cash Capital	$1,200,000.00
Surplus to Policy Holders	1,520,357.76
Total Assets	2,128,821.63

The Concordia Fire

INSURANCE COMPANY

OF MILWAUKEE.

Organized in 1870.

Assets $1,007,939 Surplus $340,504

PACIFIC DEPARTMENT:

1060 Broadway - - - Oakland, Cal.

DICKSON & THIEME, Managers.

Armenia
Insurance Company
OF PITTSBURGH
PENNSYLVANIA

Southern
Insurance Company
OF NEW ORLEANS
LOUISIANA

ROBERT DICKSON
PRESIDENT

EXECUTIVE OFFICE:
80 Williams Street : : : New York

The Penn Mutual Life Insurance Co.

Temporary Offices

3331 SACRAMENTO STREET

Near Central Ave., San Francisco

Policy Holders Please Send Addresses

EDWARD H. HART

Manager

Pacific Coast Casualty Company

OF CALIFORNIA

HEAD OFFICE

Merchants' Exchange Bldg., S. F. Cal.
Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator Insurance

The only company devoting its entire assets and attention to Pacific Coast business

Paid-up Capital - - - $200,000

Assets - - - - - - 479,856

E. F. Green President
John C. Coleman ...Vice-President
F. A. Zane Secretary
Ant. Borel & Co Treasurer

DIRECTORS

Antoine Borel, F. P. Dearing, Geo. A. Pope, Henry E Bothin, E. F. Green, Henry Rosenfeld, John C. Coleman, J. W. Hellman, Jr., Edward L. Brayton. Adolph A. Son, Wm. S. Tevis.

MARSHAL A. FRANK COMPANY,
Gen. Agents for California
214-216 Hayward Building
San Francisco California

CASUALTY COMPANY OF AMERICA

Capital (cash), $500,000.00 **Assets, $1,323,827.17**

WRITING LIABILITY, PLATE GLASS
ELEVATOR, STEAM BOILER
HEALTH AND ACCIDENT INSURANCE

Agents Wanted—Apply to

WILLARD O. WAYMAN & CO.

General Agents

Temporary Department Offices, 406 Nineteenth Street, Corner Franklin
Oakland, Cal.

OLDEST PURELY FIRE INSURANCE OFFICE IN THE WORLD

Founded in 1710

Sun Insurance Office

OF LONDON.

Cash Assets.....$11,500,000 Net Surplus.....$6,640,000

Established 1881.

Michigan Fire and Marine

INSURANCE COMPANY

Of Detroit. Mich.

Cash Capital$400,000.00

PACIFIC DEPARTMENT embraces: California, Nevada, Utah, Arizona, Oregon, Washington, Idaho, Montana, Hawaiian Islands and Alaska.

CARL A. HENRY & CO.

General Agents Pacific Department,

1018 Broadway, : : Oakland, Cal.

TOTAL ASSETS REPRESENTED
over $25,000,000.00

TOTAL LOSSES PAID
over $100,000,000.00

German-American Ins. Co.

OF NEW YORK.

Assets $14,052,520.59
Net Surplus 6,442,674.78

Phoenix Insurance Co.

OF HARTFORD, CONN.

Assets $8,140,630.43
Net Surplus 2,382,276.52

German Alliance Ins. Co.

OF NEW YORK.

Assets..... $1,485,286.15
Net Surplus..... $629,131.54

New Hampshire Fire Ins. Co.

OF NEW HAMPSHIRE, N. H.

Assets..... $4,069,140.67
Net Surplus..... $1,252,267.06

GEO. H. TYSON - General Agent

HERBERT FOLGER, Assistant General Agent.

Head Office, - - 1060 Broadway, Oakland.
City Office, - 903 Fillmore St., San Francisco

The Metropolitan Casualty Insurance Company of New York

Home Office, 47 Cedar Street

Chartered 1874. The oldest New York Company in its Line

Assets, December 31, 1905 - - - $678,077.00
Surplus to Policy Holders - - - 390,890.00

PLATE GLASS, HEALTH PERSONAL ACCIDENT **POLICIES** OF THE MOST APPROVED FORM

Eugene H. Winslow, President
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S. Wm. Burton, Secretary
Alonzo G. Brooks, Asst. Secretary

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464 Tenth Street, Oakland
Reliable and Energetic Agents Wanted

Atlas Assurance Company, Limited
OF LONDON

Manchester Assurance Company

Main Office - 900 EDDY ST., Cor. Franklin, San Francisco

Temporary Oakland Office - - 547 Eighteenth Street

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T. H. PALACHE, Assistant Manager

Agents Wanted in California, Washington, Oregon

The Queen City Fire Insurance Company

Of Sioux Falls, South Dakota

Cash Capital, - - - $300,000.00

LEE S. FRUDENFELT, Sec'y-Manager

THE

NORWICH UNION FIRE

INSURANCE SOCIETY

Of Norwich, England.

Assets $ 7.086,930.68

Losses Paid, over 90,000,000.00

INDEMNITY

FIRE INSURANCE COMPANY

OF NEW YORK.

Cash Capital $200,000.00

W. H. LOWDEN, Manager Pacific Department,

Room 88, Bacon Building, - - - - - - - Oakland, Cal.

Svea Insurance Co. of Gothenburg

American Fire Insurance Co. of Philadelphia

Agricultural Insurance Co. Watertown, N.Y.

The Delaware Insurance Co. of Philadelphia

Globe & Rutgers of New York

EDWARD BROWN & SONS,

General Agents Pacific Coast Department,

1008 Broadway, Oakland.

Total Assets Represented, Over Fourteen and a Half Millions.

Connecticut

Established 1850.

FIRE INSURANCE COMPANY, of Hartford.

Cash Capital	$1,000,000.00
Cash Assets	5,340,136.94
Surplus to Policy Holders	2,414,921.16

COLIN M. BOYD
Agent for San Francisco.

BENJAMIN J. SMITH
Manager Pacific Department

525 Thirteenth Street, Oakland.

44th YEAR

Home Life Insurance Company

OF NEW YORK.

GEORGE E. IDE, President.

Admitted Assets	$15,102,840
Policy Reserve, etc	12,754,653
Dividend Endowment Fund (Deferred Dividends)	1,142,219
Net Surplus	1,126,769
Insurance in Force	69,410,582

FRANK SPERLING,
General Manager for California and Nevada.

Union Assurance Society

OF LONDON.

Capital	$ 2,250,000.00
Assets	14,641,236.00

Law Union & Crown Fire Ins. Co.

OF LONDON.

Capital	$ 7,500,000.00
Assets	20,126,035.00

Victoria Fire Insurance Company

OF NEW YORK.

CATTON, BELL & CO., General Agents, 310 Thirteenth St., Oakland.

Pacific Surety Company Of California

Paid-Up Capital, $250,000. Cash Assets, $360,000.

Guaranty and Casualty Surety on Bonds

Bonds of Suretyship issued on behalf of persons holding positions of trust; we also act as surety on Bonds required in Court Proceedings.

PLATE GLASS INSURANCE.

DIRECTORS: Geo. C. Perkins, James Moffit, H. S. Crocker, F. P. Deering, H. L. Davis, John W. Phillips, W. H. Crocker, J. A. Rey.
Wallace Everson, Pres. John Bermingham, Vice-Pres. A. P. Redding, Sec'y.

635 Fillmore St., S. F. **Correspondence solicited with responsible agents.**

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FIRE INSURANCE COMPANY of Philadelphia.

Incorporated 1825.

One of the OLDEST and STRONGEST Fire Insurance Offices in the United States.

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HOMER A. CRAIG, General Adjuster. CHESTER DEERING, Asst. Manager.

Special Agents—S. P. Mesick, V. H. Quitzow, Frank Agnew.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, President.

The Best Company for Policy Holders and Agents

Successful Agents and Gentlemen seeking remunerative business connections may apply to the Head Office, or any of the Society's General Agents.

CARL C. GROSS
General Manager for California.

Hamburg-Bremen Fire Insurance Co.

OF HAMBURG, GERMANY.

Losses will be paid promptly when adjusted.

Adjusting Department will be established in San Francisco and claimants notified. Business done as usual at the Temporary Office,

S. E. Cor. 9th and Broadway,
OAKLAND, CAL.
RUDOLPH HEROLD, JR., Gen. Agt.

The Fidelity and Casualty Company

OF NEW YORK

Assets $7,393,680.42

Surplus to Policy Holders..$2,803,482.87

This Company grants Insurance as follows: Bonds of Suretyship for persons in position of trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly-Wheel, Employers, Public, Teams, Workmens' Collective, Elevator, and General Liability; Personal Accident, Health and Bonded Attorneys' List.

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Henry Crossley, Asst. Secy.

Frank E. Law, Second Assistant Secy.

George W. Allen, Third Assistant Secy.

Chas. J. Bosworth, Genl. Agt. Pacific Coast Dept.

London Guarantee

—and—

Accident Co., Ltd.

OF LONDON, ENGLAND.

Surplus to Policy Holders over

$1,000,000.00.

Writes Employers, Teams, Elevator and Public Liability Insurance.

Also

Workmen's Wholesale Accident and Individual Accident.

EDW. C. LANDIS

General Agent

National Life Insurance Company

OF VERMONT

Established in 1850—Operating in 42 States

James A. De Boer, Pres. H. M. Cutler, Treas.
Jas. T. Phelps, V. Pres. A. B. Bisbee, Med.D.
Jas. B. Estee, 2d V. Pres. C. E. Moulton, Actuar
Osman D. Clark, Secretry. F. A. Howland, Counsel

This Company held January 1, 1905, and gained during the past decade:

Assets	$31,398,453.67	Gain 184 per cent
Surplus	3,458,075.90	Gain 142 per cent
Ins.	134,761,554.00	Gain 107 per cent

Sells the Best Most Modern in Life, Term, Endowment and Annuity Insurance.

G. M. STOLP & SONS, General Managers
801 Union Savings Bank Building - - Oakland

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Assurance Corporation, Ltd.
Of London, England.

Head Office For U. S.,
71 Kilby Street, Boston, Mass.

SAMUEL APPLETON,
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ACCIDENT POLICIES

Of All Kinds at Very Low Rates

Employers' Liability Policies, Indemnifying Employers against claims for Accidents to Employees. Individual Fidelity Bonds and Accident Policies.

CHAS. J. OKELL & CO., Genl. Agts.

AUSTIN

Fire Insurance Co.

OF AUSTIN, TEXAS.

Gross Assets over.....$600,000

Surplus to Policy Holders 500,000

Pacific Coast Department,

Reed's Hall, Oakland, Cal.

C. G. YATES

General Agent.

METROPOLITAN

Life Insurance Company

(Incorporated by the State of New York)

ASSETS, over **$151,000,000.00**

SURPLUS, over **16,000,000.00**

Issued during 1905 more new business in the State of California than during 1904, and more than any other company transacting business in this State. Made a larger gain in force of premium-paying business during 1905 than any other company operating in California

PACIFIC COAST HEAD OFFICE

Jefferson Square Bldg., 925 Golden Gate Ave., San Francisco

Home Office, New York City

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George H. Gaston Second Vice-President
James S. Roberts Secretary
T. R. Richardson Assistant Secretary
James M. Craig Actuary
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W. S. Manners, M. D.Asst. Med. Director

Haley Fiske Vice-President
Geo. B. Woodward ..Third Vice-President
Frank O. Ayers ..Fourth Vice-President
J. J. Thompson..Cashier and Asst. Secty.
John R. Hegeman, Jr. ..Asst. Secretary
Stewart L Woodford Counsel
August S. Knight, M. D.....Med. Dir'ct'r
Eugene M Holden, M. D. Asst. Med. D.

FREDERICK TAYLOR, Pacific Coast Manager.

Security Mutual Life Insurance Company

BINGHAMPTON, N. Y.

CHARLES M. TURNER, President

Liberal contracts and good territory can be secured by reputable life underwriters by addressing

A. B. HOWE, Assistant General Manager, Home Office

or H. W. FOOTE, Manager for California

703 Johnson Bldg., Los Angeles, Cal.

PACIFIC DEPARTMENT

Scottish Union

AND

National Insurance Co.

OF EDINBURGH, SCOTLAND

Assets, in United States, $4,581,956,10 **Surplus, $2,381,880.36**

Total Assets, over $45,662,730.65

T. J. A. TIEDEMANN, Gen, Agent 168 Eleventh St., Oakland

The Northwestern Mutual Life Insurance Co. of Milwaukee

Men of Character are attracted to the Agency Force of the Northwestern

Because the Northwestern accepts business only from regular agents of the Company.

Because Northwestern policies command one hundred cents on the dollar. Rebating has been prohibited for ten years.

Northwestern commissions are for Northwestern agents.

H. L. Palmer, Pres. J. W. Skinner, Sec.
Organized 1857

GROWTH OF COMPANY

Year	Insurance in Force
1865 - -	$ 11,217,155
1885 - -	98,793,982
1905 - -	708,552,287

Business of 1904 largest in history of Company
Purely Mutual and transacts business only in the United States
Best Results to Policy-Holders Most Attractive Policies
Issues Partnership and Corporation Insurance

For further information or an Agency, address

H. F. NORRIS

Superintendent of Agencies

Insurance That Insures

The GERMAN AMERICAN OF NEW YORK; GERMAN ALLIANCE OF NEW YORK; PHOENIX OF HARTFORD and the NEW HAMPSHIRE OF MANCHESTER, have opened head offices at 1060 Broadway, Oakland, California, and also a city office at 1107 Fillmore Street, between Golden Gate Avenue and Turk Street, San Francisco, Cal.

	POSSIBLE SAN FRANCISCO LOSSES	SURPLUS TO POLICY-HOLDERS
German American	$3,325,000	$7,924,674
Phœnix of Hartford	1,000,000	4,383,270
New Hampshire	600,000	2,225,267
German Alliance	300,000	1,029,131
	$6,025,000	$15,589,342

In addition to the above, the Companies have the legal reserves carried for all other outstanding policies and claims. Business continued as usual

GEO. H. TYSON, General Agent.

FIRE INSURANCE

PACIFIC COAST BRANCH

Commercial Union Assurance Co., Ltd.

Alliance Assurance Co., Ltd.

Palatine Insurance Co., Ltd.
OF LONDON

ASSETS

One Hundred Million Dollars

Temporary Office

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PRINTING, PUBLISHING AND BADGE MFG.

Formerly
Corner Mission and Second.

Forced to vacate
owing to extreme heat.

Now running at

336 Main Street

Bet. Folsom and Harrison,
Adjoining Whitelaw Wrecking Co.,
San Francisco.

Insurance Printing a Specialty

ATTRACTIVE TERRITORY LIBERAL CONTRACTS

The Manhattan Life Insurance Co.

has appointed Col. A. A. Green, Jr., Western Superintendent, in charge of the agency work and the development of the States west of the Mississippi, together with Illinois and Wisconsin.

Attractive and Liberal Contracts

will be made with live, energetic men who can write a good line of first-class business.

Address A. A. GREEN, Jr.,
Western Supt. of Agents,
DALLAS, TEXAS.

THE AACHEN AND MUNICH

FIRE INSURANCE COMPANY

Of Aix-la-Chapelle, Germany.

Organized 1825.

Capital. $2,250,000
Assets, over. 6,000,000
Surplus to Policyholders 4,000,000

HANOVER

FIRE INSURANCE COMPANY

Of New York. Organized 1852.

Capital. $1,000,000
Assets 3,000,000
Surplus to Policyholders 1,400,000

CESAR BERTHEAU, Manager.

A. R. GRIM, Assistant Manager.

Pacific Coast Department.
NE. Cor. Eleventh and Clay, Oakland.

Continental Casualty Co.

CHICAGO

Capital Stock, - - - $300,000

GOOD CONTRACTS in GOOD TERRITORY to GOOD MEN

WRITES ALL FORMS OF

PERSONAL ACCIDENT AND HEALTH INSURANCE

MORE THAN FOUR MILLION DOLLARS

Paid to Policyholders

W. H. BETTS, Resident Manager

Room 55 Bacon Block Oakland, Cal.

The Franklin Fire Insurance Company

OF PHILADELPHIA

Organized 1829

$3,087,001.53 Assets $1,078,240.32 Surplus

GEORGE F. GRANT, Manager

A. H. TRATHEN, Assistant Manager

W. W.CLEVELAND, Special Agent

219 Bacon Block, Oakland, Cal.

The Standard Life and Accident Insurance Co.

DETROIT, MICHIGAN.

All forms of Accident, Sickness, Industrial and Liability Insurance.

CLARENCE F. BRIGGS,

Superintendent Pacific Coast Dept.

J. F. RILEY

INSURANCE ATTORNEY

2119 Bush Street

San Francisco California

THE HOME

INSURANCE COMPANY

NEW YORK.

Principal Office, 56 Cedar Street, New York.

Fire, Lightning and

Windstorm Insurance

Cash Capital	$3,000,000.00
Reserve Premium Fund	7,598,001.00
Reserve for Unpaid Losses and Other Claims	1,920,550.54
Net Surplus	8,720,501.34
Total Assets	**$21,239.052.88**
Surplus as regards Policy Holders	**$11,720,501.34**

ELBRIDGE G. SNOW, President.

Emanuel H. A. Correa, Vice-Pres. — Areunah M. Burtis, Secretary.
Frederic C. Buswell, Vice-Pres. — Henry J. Ferris, Asst. Secretary.
Clarence A. Ludlum, Asst. Secretary. — Charles L. Tyner, Secretary.

ORGANIZED IN 1853

Losses Paid Since Organization, over - - - - $99,000,000.00

THE HOME has a well-organized, competent and experienced force of GENERAL and SPECIAL AGENTS, resident in the Pacific Coast States, ensuring prompt response to the needs and requirements of its Agents and the insuring public, and IMMEDIATE ATTENTION TO THE ADJUSTMENT AND PAYMENT OF LOSSES.

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J. J. SHEAHAN, Special Agent, 462 Ninth St., Oakland.

J. D. COLEMAN, General Agent, Department Pacific Northwest, Portland, Ore.

H. E. SMITH, Special Agent
M. H. MERRILL, Special Agent } 250 Stark St., Portland, Ore.

CHAS. QUITZOW, Special Agent, So. California & Arizona., Los Angeles, Cal.

JUNIUS YOUNG, Special Agent, Idaho (S. E.), Utah, Montana and Wyoming, Salt Lake City, Utah.

GEO. M. MITCHELL, City Agent, San Francisco, Cal.

THE

Preferred Accident Ins. Co.

of New York

KIMBALL C. ATWOOD, Secretary.

Assets, January 1, 1906.....$1,319,513.65
Surplus and Reserve (including capital) for the protection of Policy Holders..... 1,130,981.80
Claims Paid, over..... 6,000,000.00

More Insurance in force in California than any other Accident Company.

The Unlimited Health Policy

$2,500 for the loss of Sight of Both Eyes from any disease.
$2,500 for Permanent Paralysis of the Entire Body, Both Feet, Both Hands, or Hand and Foot by disease.
$25 Weekly Indemnity (limited to fifty-two weeks) for Disability resulting from

ANY DISEASE.

SURGEON'S FEES—In case of operation, the result of disease, this Policy provides a long list of cash benefits, which are paid in addition to the weekly indemnity.

NO MEDICAL EXAMINATION REQUIRED.

PREMIUM Ages 18 to 50 (inclusive) **$35** per annum.
Ages 51 to 55 " **$45** per annum.

A Policy allowing Half Benefits at Half Price.

Health Policies are sold only to those who carry Accident Insurance in this Company.

The Best Policies.
The Best Commissions.
ACTIVE AGENTS WANTED.

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Manager Pacific Coast Department.

G. C. FARRELL
Assistant Manager.

FREDERIC A. STEARNS, General Agent.
472 Tenth Street Oakland, Cal.

THE London
ASSURANCE CORPORATION
of London.
Founded 1720.
Cash Assets - - - $21,000,000
WM. J. LANDERS, Manager.
F. W. Tallant, Branch Sec'y,
Pacific Coast Branch.
2321 Buchanan Street, San Francisco.

NIAGARA
FIRE INSURANCE COMPANY
of New York.
Cash Assets.....$3,700,000
WM. J. LANDERS, Manager,
F. W. Tallant, Department Sec'y,
Pacific Coast Department,
2321 Buchanan Street, San Francisco.

BRITISH AMERICA ASSURANCE CO.
OF TORONTO.
Incorporated 1831.
Assets in United States - $1,542,949

WESTERN ASSURANCE COMPANY
OF TORONTO.
Incorporated 1851.
Assets in United States - $2,397,608

The only fire companies that have a special California deposit of $100,000 each, for the exclusive protection of California policy holders.

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1792 *1906*

Insurance Company of North America

OF PHILADELPHIA, PENNA.

Oldest Fire Insurance Company in the United States

Cash Capital	$ 3,000,000.00
Assets, Jan. 1, 1906,	13,024,882.85
Policy Holder's Surplus	6,626,730.57
Net Surplus	3,626,730.57
LOSSES PAID SINCE ORGANIZATION	104,168,853.00

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EXCEPTIONAL INDUCEMENTS
are offered
INTELLIGENT AND RELIABLE MEN
to enter the service of

The Mutual Life
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It is the largest and best Company in the world and the most satisfactory Company to represent.

Applications may be sent to

GEORGE T. DEXTER
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Young Men—Make Money

There are opportunities to represent a big, sound, up-to-date Life Insurance Company in a profitable manner.

PRUDENTIAL representatives make money. They have most varied forms of policies and advantageous contracts with liberal commissions.

The attention of young men, particularly young men starting in business, is especially sought.

Write for full information regarding these unusual opportunities.

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Promises Pleasingly Placed

In Union Mutual policies. Modern contracts, convincingly arranged, with Insurance guarantee, rights and values completely set forth before mention of premium rate. Lengthy explanations unnecessary—every feature plain and simple. Easy to understand; quick to sell.

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FRED E. RICHARDS, Pres. ARTHUR L. BATES, Vice-Pres.

Always a place for active agents who hold business written

Exclusive territory may be had on application to

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OF THE U. S. OF A.

Home Office

NATIONAL LIFE BUILDING

CHICAGO, ILL.

ALBERT M. JOHNSON, President. ROBT. D. LAY, Secretary.

ROBT. E. SACKETT, Vice-President. CHAS. B. SHEDD, Treasurer.

Admitted Assets	$6,092,500.16
Insurance in force	43,336,600.78
Full-paid Capital	1,000,000.00

Policy contracts liberal and up-to-date.
Exceptional inducements offered to wide-awake agents.

W. H. HENDRICKS, Manager.

Organized in the Year 1864

Home Fire and Marine Insurance Company

of California

Assets$1,620,865.99

506 Ninth Street, Oakland

PHENIX Insurance Company

OF BROOKLYN, N. Y.

Western and Southern Department, 205 La Salle Street, Chicago
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State Agent for Pacific Coast
A. C. OLDS Kohl Building, San Francisco, and Polytechnic Bldg., 12th and Harrison Sts., Oakland

A. P. LANGE, Special Agent, Spokane, Washington

Special Agents—H. W. Crowell, Chas. A. Colvin, Fred. W. Foulkes

The German Insurance Company

OF FREEPORT

Organized 1865

Assets	$ 5,546,127
Net Surplus	1,727,980
Losses Paid over	19,943,504

C. H. WARD, Manager Pacific Coast Department

901 Broadway, Oakland

C. J. STOVEL

GENERAL AGENT

SAN FRANCISCO
CALIFORNIA

Temporary Office, Bacon Building, Oakland

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Buffalo German Insurance Co., of Buffalo, N. Y.
Gross Assets, $2,413,100.00 Surplus to Policyholders, $1,840,774.60

Dutchess Insurance Co., of Poughkeepsie, N. Y.
Gross Assets, $913,283.00 Surplus to Policyholders, $375,644.00

Girard Fire and Marine Insurance Co., of Philadelphia
Gross Assets, $2,289,406.00 Surplus to Policyholders, $1,000,174.00

Nassau Fire Insurance Co., of Brooklyn, N. Y.
Gross Assets, $856,906.00 Surplus to Policyholders, $451,458.00

New Brunswick Fire Insurance Co., of New Jersey
Gross Assets, $298,303.00 Surplus to Policyholders, $244,522.00

North River Insurance Company, of New York
Gross Assets, $1,796,459.00 Surplus to Policyholders, $790,894.00

ALSO REPRESENTING

American Insurance Company, of Boston
Which has Reinsured its Outstanding Risks in the Firemans Insurance Company, of Newark, N. J.

New York Fire Insurance Company, of New York
Which has Reinsured its Outstanding Risks in the New Hampshire Fire Insurance Company, of Manchester

With the Facilities My Branch Offices Afford, Reference may be Made to them Direct for Business in Their Territory

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341 Hill Street, Los Angeles, Cal. . . . J. D. Kennedy, Manager
Coleman Building, Seattle. Wash. . . . P. Roy Stovel, Manager
342 State Street, Salt Lake City, Utah . . E. H. Pierce, Manager

THE California Insurance Co.

of San Francisco

Incorporated 1861

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A. D. CUTLER, Vice-President
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E. W. McCARTHY, Treasurer

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D. GHIRARDELLI	M. A. NEWELL	GEO. L. PAYNE
WALTER E. DEAN	A. D. CUTLER	E. A. DENICKE
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J. W. WARNER, A. N. LINDSAY, San Francisco
R. M. DOOLEY, JR. . . . Portland, Oregon
W. A. FRASER Seattle, Wash.
B. O. SELBACH Denver, Colo.

THE FRANKFORT

MARINE, ACCIDENT AND PLATE GLASS

Insurance Company

OF FRANKFORT ON-THE-MAIN, GERMANY

Established 1865

Capital, $1,250,000.00

Issues Policies Covering EMPLOYERS' AND PUBLIC LIABILITY, INDIVIDUAL ACCIDENT and PLATE GLASS

VOSS, CONRAD & CO. Incorporated **General Agents**

Pacific Department

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